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Chirac Denounces Mitterrand Rebuff On Privatization

Reuters

Jacques Chirac

By Michael Dobbs
Washington Post Service

PARIS — Jacques Chirac, the conservative prime minister of France, on Wednesday accused the Socialist president, François Mitterrand, of opposing the clearly expressed will of the nation by refusing to sign a decree that would allow the sale of 65 state-owned companies to private interests.

Speaking on nationwide television, Mr. Chirac announced that he would rush the denationalization plans through Parliament, sidestepping a constitutional trial of strength with Mr. Mitterrand.

But, he said, he would hold Mr. Mitterrand responsible for delaying France's economic recovery.

Alain Juppé, a spokesman for the four-month-old government of Mr. Chirac, said following a cabinet meeting that a bill embodying the measures would be submitted during the cabinet's next meeting, on July 23.

The bill, he said, will be submitted to Parliament during its current extraordinary session, which lasts until Aug. 15. The spokesman said that new chairmen of the nationalized companies would be appointed "within the next few days."

French commentators have depicted the clash between Mr. Mitterrand and Mr. Chirac as a hitch in the power-sharing arrangement known as *cohabitation*, under which France has been governed since the rightist election victory on March 16. This has been the first major disagreement to have broken into the open between Mr. Chirac and Mr. Mitterrand over the extent of the president's constitutional powers.

Mr. Mitterrand had indicated that he would refuse to sign the denationalization decree during a television broadcast on July 14, the anniversary of the fall of the Bastille in the French Revolution and the country's national day.

He argued that the legislation failed to include sufficient guarantees against important national assets falling into "foreign hands."

At the tense cabinet meeting on Wednesday, Mr. Mitterrand reiterated his refusal to ratify the decree. His spokeswoman quoted him as saying that it was up to Parliament to settle the controversy.

Successive French governments have resorted to the procedure of a

See FRANCE, Page 2

The Associated Press

South Africa unveiled the Cheetah, an upgraded fighter, on Wednesday. The jet, using domestic equipment, was hailed as showing the country could withstand sanctions. Page 2.

Leaders Say Majority in U.S. Senate Will Back Sanctions on South Africa

New York Times Service

WASHINGTON — Congressional leaders say that a strong majority of the Senate is prepared to vote for tough economic sanctions against South Africa.

Their statements Tuesday came amid what the Reagan administration has described as a comprehensive review of its policy toward South Africa, where a second emergency decree has been put into effect to ... widespread protests against apartheid.

Senator John Heinz, a Pennsylvania Republican, said a sanctions measure "will have all the votes it needs" to pass the Senate and overcome any possible filibuster by its opponents. Senator Richard G. Lugar, Republican of Indiana and chairman of the Foreign Relations Committee, added: "A large majority of the Senate would like to take some action on South Africa. They'd like to cast a vote to indicate their unhappiness."

But even supporters of economic sanctions said a measure still faced many obstacles before it could become law, including a possible veto by President Ronald Reagan, an overcrowded congressional calendar and the growing eagerness of lawmakers to go home and campaign before the November elections.

[Sir Geoffrey Howe, the British foreign secretary, said Wednesday that the United Kingdom would probably impose new economic measures against South Africa if his mission to Pretoria next week failed to achieve substantial results, Reuters reported from London.

[His statement, in Parliament, appeared to represent a response to growing pressure from Britain's partners in the European Community and fears about the possible

See SANCTIONS, Page 2

Emergency Rule Upheld

The South African Supreme Court declared the state of emergency legal. Page 2.

U.S., Soviet to Resume Nuclear Test Ban Talks

The Associated Press

LONDON — Eduard A. Shevardnadze, the Soviet foreign minister, said Wednesday that the United States and Soviet Union had agreed to resume talks on a nuclear test ban that were broken off six years ago.

But U.S. officials in Washington responded by ruling out a ban and said that the United States would concentrate on means to verify that the limits on underground tests were being respected.

Underground nuclear tests are the only kind that have been permitted since 1963.

In addition, a White House spokesman, Edward P. Djerejian, said the United States had accepted a Soviet proposal to meet in Geneva on July 22 to discuss President Ronald Reagan's decision to ignore the weapons ceilings of the unratified 1972 strategic arms limitation agreement.

Mr. Shevardnadze, who was ending a three-day visit to Britain, said that the Soviet Union had "fundamentally an agreement from the United States to resume negotiations, to resume talks in Geneva on banning nuclear tests."

A U.S. official in London said that the talks would be held in the framework of arms negotiations that resume Sept. 18 in Geneva.

While Mikhail S. Gorbachev, the Soviet leader, has pressed for a ban on underground tests, Reagan administration officials, including Kenneth L. Adelman, the director of the Arms Control and Disarmament Agency, have maintained that underground tests were necessary to ensure that U.S. nuclear weapons were safe and effective.

But a senior official in Washington, who asked not to be named, said that the main issue in arms talks was whether the Soviet Union would agree to drastic reductions in offensive nuclear missiles.

That issue is the central goal in the U.S. negotiating position.

Rejecting Soviet complaints of a U.S. delay, the official said that the United States would reply to the latest Soviet disarmament proposals later this summer and not wait for the reopening of negotiations in Geneva in September.

The Soviet Union unilaterally halted nuclear weapons tests in August, but its moratorium, which has been extended several times, is to expire Aug. 6.

Reuters

Eduard A. Shevardnadze

The United States has conducted several nuclear tests during the period.

The United States has refused to agree to a test ban on the ground that adherence could not be verified. Previous negotiations broke down in 1980 over that issue.

The U.S. official said the renewed talks would "focus on the verification problem."

The resumed test ban talks would parallel negotiations on long-range missiles, medium-range missiles and weapons in space.

The main U.S. goal in the meeting announced by Mr. Shevardnadze will be to tighten procedures for verifying the underground tests now permitted, officials in Washington said.

"A comprehensive test ban remains a long-term objective of the United States," the White House said in a statement read by Mr. Djerejian.

Mr. Djerejian said that the banning of underground weapons tests could be considered "when we have broad, deep and verifiable arms reductions, substantially improved verification capabilities, expanded confidence-building measures and greater balance in conventional forces."

Earlier, a senior American official said the U.S. strategy would be to seek Soviet acceptance of "not highly intrusive" monitoring of Soviet test sites with sophisticated equipment that would not require the presence of U.S. observers.

He said that an agreement on verification could prompt Mr. Reagan to seek Senate ratification of the 1974 Threshold Test Ban Treaty that limited underground explosions to 150 kilotons.

The United States has accused the Soviet Union of exceeding the limit.

Mr. Shevardnadze also reiterated the position that Mr. Gorbachev was ready for a second summit meeting with Mr. Reagan, but only if the meeting produced concrete results in arms control.

U.S. Troops Aid Bolivian Drug Raids

By Joel Brinkley
New York Times Service

WASHINGTON — The Reagan administration has sent U.S. Army personnel and aircraft to help the Bolivian military in a series of raids against major drug traffickers in south-central Bolivia, according to administration officials.

Much of the world's cocaine is produced in the area.

Under orders reviewed by President Ronald Reagan, officials said, C-5A military transport carrying

... of troops seems to further ... the separation of military ... law enforcement. Page 3.

... Black Hawk transport helicopters and a company of at least 100 ... Army pilots, officers and support personnel landed Monday at ... Cruz, Bolivia. The force is ... at the U.S. Southern Command in Panama.

Officials said the forces had been ... at the request of President Víctor Paz Estenssoro of Bolivia.

They said the helicopters, armed ... M-60 machine guns, would ... Bolivian forces to major coca-processing laboratories and other drug-related installations throughout the Beni region.

... officer of the U.S. Drug Enforcement Administration also will ... aboard each helicopter, they ... Any fighting and apprehension of alleged drug traffickers is to ... carried out by the Bolivians.

U.S. officials said they thought ... chance of U.S. casualties was ... slight, but they acknowledged that Americans could be wounded or ... killed. Under rules of engagement ... agreed to by the Bolivian government, the Americans will be permitted to use their weapons only if ... fired on first, the officials said.

Officials said the operation was ... last at least 60 days and that 35 ... potential targets had been designated. A White House official said ... initiative was the first under a ... directive, signed by Mr. Reagan in ... April, that declared drug trafficking a national security threat that ... would warrant a military response.

U.S. and Bolivian officials would ... not publicly discuss the operation in advance, even though the presence of the huge C-5A transport ... and Black Hawk helicopters ... caused a stir in Santa Cruz, a ... city of about 400,000 residents.

The U.S. armed forces have giv-

See BOLIVIA, Page 3

2 Germanys in a Dispute Over 'Defecting' Visitor

By Robert J. McCartney
Washington Post Service

BONN — A defection-espionage conflict erupted Wednesday between West Germany and East Germany over an East German economist who faced spying charges after first apparently defecting and then taking refuge in the East German mission here.

The economist, Herbert Meissner, sought immigrant status a week ago after being caught shoplifting in a West Berlin department store, Bonn officials said. But he apparently changed his mind, they added, after he had been flown to Munich and questioned by intelligence officers.

The Bonn spokesman, Friedhelm Ost, said that West Germany would not allow Mr. Meissner, who is deputy chairman of the East German Academy of Sciences, to leave the country.

The prosecutor's office said it had opened an investigation of the economist on suspicion of spying and that the Federal Court of Justice had issued a warrant for his arrest.

The East German Foreign Ministry demanded the immediate return of Mr. Meissner and accused the West German intelligence service of "forceful kidnapping."

"This state of affairs must be ended quickly," a statement said. The East German press agency ADN reported earlier that Mr. Meissner had been seized by West German operatives but that he "was able to escape his captors and seek safety in the mission in Bonn."

The affair seemed likely to damage relations between the two Germanys; ties had been improving in recent months. Relations between the two nations have been subjected to a variety of strains by defections and espionage scandals.

The Meissner incident became public when ADN reported Tuesday that East Germany had protested to Bonn over the "kidnapping." The report apparently came after the economist had taken asylum in the East German mission.

The West German government apparently hardened its position on the issue during Wednesday. In his first comments, the press spokesman said that officials were seeking to meet with Mr. Meissner to confirm that he truly wished to return to East Germany.

Later in the day, Mr. Ost said that a meeting with Mr. Meissner had been canceled and that he would not be allowed to leave West Germany. Mr. Ost said that "we have evidence" that Mr. Meissner was working for the East German Ministry of State Security. He did not provide details.

Mr. Ost said that Mr. Meissner,

See DEFECT, Page 2

Even the Diseases Are Segregated

Apartheid Affects How Young People Live — and Die

By Glenn Frankel
Washington Post Service

NEBO, South Africa — The crudely painted sign over Rhiana Letoaka's hospital crib read "HOPE," but there was precious little of it in this overcrowded children's ward deep in Lebowa, one of South Africa's black homelands.

She had the hollow eyes, graying hair and swollen belly of malnutrition. She was nearly 3 years old but, at 16 pounds (7.3 kilograms), she was too weak to move or even cry. She stared emptily at the wall.

There were 30 children like her in this ward at Jane Furse Hospital in Nebo, northeast of Pretoria, many of them doubled up two to a crib. All but two or three had serious nutritional deficiencies.

A few would die; others would gain weight temporarily, only to come back again in a few months.

"We're fighting a losing battle," said Michaeline Mamakoko, a ward nurse. "Some mothers are ignorant, but most just don't have enough food."

It was a scene reminiscent of many an impoverished African country in the recent years of famine. But it was taking place in South Africa, the subcontinent's richest

Africa's Children
Hunger and Illness

Last of four articles

and most powerful nation, one that has long called itself "Africa's breadbasket," and one that prides itself on the comparatively high standard of living of its disenfranchised urban blacks.

This is the other face of apartheid.

While children in South Africa's explosive townships battle the police, those in these remote rural areas face enemies that are equally relentless — hunger, disease, poor sanitation and overcrowding. Its critics contend South Africa's system of rigid segregation has contributed to these conditions and to the impoverishment of a large majority of its black rural dwellers.

The result, say doctors, nurses and relief workers, is a pattern of malnutrition and children's diseases that approaches the levels found in some of Africa's most destitute countries.

The official infant mortality rate for blacks is 80 per 1,000 live births, roughly six times higher than for whites. That puts blacks here on a par with comparatively better off African countries like Kenya, Ghana and Zimbabwe.

But that statistic ignores blacks living in the quasi-independent homelands, for whom the rate soars as high as 190 per 1,000 in parts of the Transkei and Ciskei, according to University of Transkei researchers.

While there is virtually no malnutrition among whites, about one-third of South Africa's black children below age 14 are chronically malnourished, according to a 1984 study by Dr. John Hansen, retired pediatrics chairman at the University of Witwatersrand in Johannesburg. The death rate from malnutrition among blacks under age 5 is 31 times that of whites.

Marc Peters/The New York Times

A mother and child outside their cardboard home in South Africa's KwaNdebele homeland.

For established black urban dwellers in Johannesburg and Cape Town, South Africa boasts a relatively high level of medical care. Although it is chronically overcrowded, Baragwanath Hospital in Soweto may be the largest and

See CHILDREN, Page 6

INSIDE

GENERAL NEWS

■ East Timor's governor pleaded with Indonesia for greater autonomy. Page 2.

ARTS/LEISURE

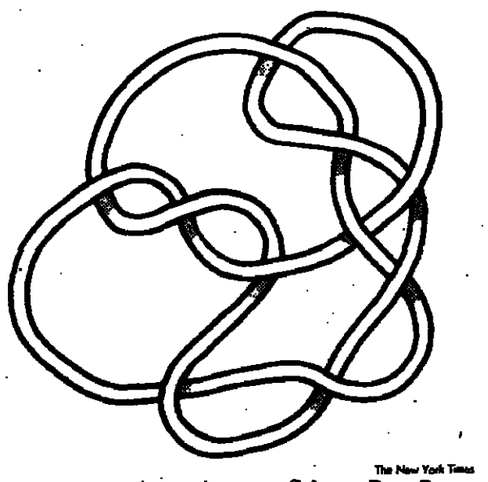
■ A magician is among the 25 latest recipients of MacArthur Foundation grants. Page 7.

BUSINESS/FINANCE

■ BankAmerica Corp. reported its losses nearly doubled in the second quarter, to a record $640 million. Page 9.

TOMORROW

Shopping for crafts and antiques in Dublin. In Travel.



The New York Times

Not all knots are the same. Science, Page 7.

Business Data Show U.S. Economy Still is Sluggish

The United States released on Wednesday two more reports that indicated that the nation's economy still is in a slump. Business sales fell 1.8 percent in May, also pushing down the inventories that businesses keep, and industry operated at only 78.3 percent of its capacity last month. Page 9.

In Europe, the dollar slipped slightly against major currencies amid speculation that West Germany's central bank was going to intervene in the market. Page 13.

On Wall Street, the New York Stock Exchange showed modest gains in late trading, rebounding from the steep decline of the week. But analysts said the market's performance may have been due to traders looking for bargains, and some said they did not expect the technical rally to last. Page 8.

Bush May Visit Syria To Improve Relations

By Gerald M. Boyd
New York Times Service

WASHINGTON — The Reagan administration may send Vice President George Bush to Syria to make a new overture to improve relations in the hope of reviving the Middle East peace process, according to White House officials.

The officials said Tuesday that the State Department and the National Security Council had left open the possibility that Mr. Bush could make an unscheduled stop in Syria while on a 12-day trip to the Middle East. He is scheduled to leave July 25.

[Mr. Bush's office said Wednesday he has no plans to visit Syria during his trip, Reuters reported from Washington. Steve Hart, a spokesman, said, "The vice president has no plans to go there."

[Another Bush aide, who asked not to be identified, said that such a visit "is not even under consideration."]

A meeting with the Syrian president, Hafez al-Assad, had been urged by King Hussein of Jordan when Hussein met with President Ronald Reagan last month. At that time, the king suggested that the United States take a more active diplomatic role in Middle East peace efforts.

Hussein also outlined a plan in which Syria and Iraq would reconcile their differences and take part in an Arab meeting aimed at setting the stage for Jordanian and Israeli negotiations on the West Bank.

But Hussein's attempt at reconciliation between Iraq and Syria collapsed.

They added that Hussein had told the administration that a meeting between Mr. Bush and Mr. Assad would help the king achieve a series of objectives, such as improving Jordan's ties to Syria.

The officials said that aides to Mr. Bush had first considered the vice president's conferring with Palestinian leaders on the West Bank during the trip, which will include stops in Israel, Jordan and Egypt. That proposal was rejected.

AP

George Bush

Administration officials have told reporters that they were pessimistic about the chances of reviving the peace process. They said Mr. Bush's visit represents an important gesture.

There was no indication whether Mr. Bush, in a meeting with Mr. Assad, would also seek a greater effort by Syria to free the five American hostages in Lebanon.

U.S. Sale of Technology To Pakistan Is Expected

By Stuart Auerbach
Washington Post Service

WASHINGTON — The United States expects to conclude an agreement during the visit of Prime Minister Mohammed Khan Junejo allowing Pakistan to buy sensitive American technology, according to administration officials.

The agreement parallels one signed last year with India and is expected to be signed Thursday by Mr. Junejo, who arrived in Washington on Tuesday, and Secretary of State George P. Shultz.

The officials said the agreement contained a ban on the use of U.S. technology in Pakistan's nuclear program. The administration believes Pakistan is intensively involved in developing atomic weapons.

The nuclear assurances contained in the memorandum of understanding, which involves the sale of computers and advanced telecommunications equipment, are considered among the strongest that the United States has gotten the Pakistan government to sign, the officials said.

They emphasized Tuesday that this agreement would not allow Pakistan to circumvent U.S. nuclear-proliferation restrictions.

Despite accusations by the Carter and Reagan administrations and information supplied by West European governments, the Pakistani government of President Mohammed Zia ul-Haq has been steadfast in denying for seven years that its nuclear program is aimed at developing atomic weapons.

Nonetheless, an administration official, speaking at a White House briefing, said that U.S. officials would raise their concerns about nuclear proliferation and Pakistan's nuclear program with Mr. Junejo.

[President Ronald Reagan, in remarks welcoming Mr. Junejo to the White House on Wednesday, described Pakistan as "one of our country's closest partners," Reu-

See PAKISTAN, Page 2

Governor of East Timor Urges Indonesia to Ease Control Over Province

By Michael Richardson
International Herald Tribune

SINGAPORE — On the eve of the 10th anniversary of East Timor's incorporation into Indonesia, the governor of the province made a public plea Wednesday for Timorese to be given a greater say in running their own affairs.

Governor Mario Carrascalao said many positions in East Timor were still being filled by officials from other parts of Indonesia. He warned that this sometimes stirred resentment, especially when the officials were corrupt.

Diplomats in Jakarta said Mr. Carrascalao's statement underlined a dilemma faced by Indonesia — how to maintain a firm hold on the disputed territory without alienating large numbers of Timorese and upsetting international critics. Portugal, the former colonial power, is still recognized by the United Nations as the administering authority in East Timor.

Indonesian officials maintain that there is a shortage of trained and experienced Timorese to administer the province. But the governor, an East Timorese appointed by Jakarta, appeared to be disputing this assertion.

He said in an interview in Kompas, a leading Jakarta daily newspaper, that the main difficulty the province faced was to develop a local administration that had the trust, respect and participation of the East Timorese.

"If the older people see the East Timorese as mere assistants to outsiders in the government," he warned, "they will feel that they are being colonized again."

Diplomats said publication of the interview suggested that the government of President Suharto was confident of its ability to meet the aspirations of the Timorese.

Indonesian forces invaded East Timor in December 1975, barely a week after Fretilin, a leftist nationalist movement that was controlling the capital, Dili, and much of the countryside, announced a unilateral declaration of independence from Portugal. Fretilin is a Portuguese acronym for the Revolutionary Front for an Independent East Timor.

Jakarta asserted that it was entering the territory at the request of Timorese groups that represented the majority of the estimated 600,000 population. It said these groups were seeking protection and development by integrating their small and impoverished territory into Indonesia.

On July 17, 1976, after a meeting of local pro-Indonesian delegates that fell short of an act of self-determination acceptable to the United Nations, East Timor was proclaimed Indonesia's 27th province.

Jakarta alleged that Fretilin was an unrepresentative, Communist-controlled organization that would turn Timor island, the western half of which had long been part of Indonesia, into an Asian Cuba on the back doorstep of non-Communist countries in the region.

The campaign by the government of President Suharto to win recognition of its takeover of East Timor received a significant boost last week when the ruling Labor Party in Australia formally recognized the territory as part of Indonesia.

Some human rights activists and aid workers estimate that as many as 100,000 Timorese, more than one-seventh of the population, died in the fighting and from hunger and disease in the years immediately after the Indonesian invasion. Jakarta dismisses these estimates as grossly exaggerated.

In the preparations for Thursday's 10th anniversary, the Indonesian government has been publicizing its efforts to raise living standards and speed up development in East Timor.

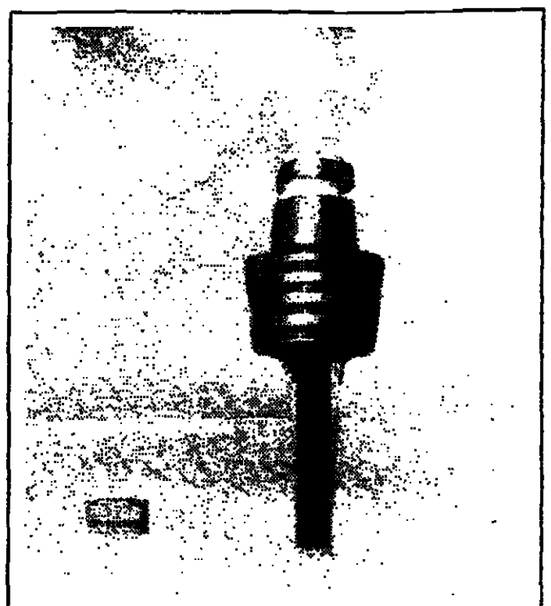
Jakarta says it spends far more per capita on East Timor than it does in any other province. It says that incomes have quadrupled since the takeover and that education, public health and transportation have much improved.

Foreign journalists, who must get permission from the government before visiting East Timor, will not be allowed to go to Dili for Thursday's celebrations, but they have been promised a trip shortly afterward.

Occasional clashes between Fretilin guerrillas and Indonesian troops are reported. But independent observers who have visited the territory estimate that there are no more than 700 guerrillas, many with antiquated arms, still fighting.

These sources say the behavior of Indonesian troops, which was marred by some serious excesses in the early years of the occupation, has improved in recent years.

"What we are doing," said Indonesia's armed forces commander, General Benny Murdani, last October, "is carrying out a nonmilitary solution. In fact a military solution would be much easier, but too many people would get hurt, and I do not want that."



The Associated Press

FOGBOUND — A rare combination of weather elements conspired Wednesday to blanket Sydney with one of its worst fogs in recent years. The Sydney Tower, which rises to 1,000 feet, is visible above the fog layer.

Emergency Rule Upheld By South African Court

Reuters

JOHANNESBURG — South Africa's Supreme Court ruled Wednesday that a nationwide state of emergency declared last month was legal, but it softened the decree's provisions so that lawyers could freely visit political detainees.

The court, sitting in the Indian Ocean city of Durban, also struck down some clauses that have hampered press reporting.

It narrowed the definition of what constitutes a "subversive statement," declaring that in places the regulations far exceeded the president's powers and were "totally bad law."

[Emergency powers still in force are detention without charge, curfews, sealing off areas and the power to shut down publications. The Associated Press reported from Durban.]

Lawyers advising journalists on the press curbs described the judgment as "good news," but they cautioned that there were still numerous restrictions on free reporting under the state of emergency imposed June 12.

Earlier, the government reported that 12 more people had been killed in inter-black violence, one of the highest daily casualty tolls since the state of emergency was declared.

The application to declare the regulations null and void was filed by the Metal and Allied Workers' Union, which has been in the forefront of opposition to the emergency decree. Both sides can appeal.

It was the first legal challenge to the state of emergency, which the government says is aimed at ending the political violence that has rocked black townships for two years.

The three judges dismissed the application but ruled that lawyers must have unrestricted access to the thousands of detainees rounded up in the crackdown.

Previously lawyers wishing to see detainees had to seek permission from the Law and Order Ministry or Police Commissioner, which could refuse permission.

"No doubt relatives of detainees have the strongest personal reason to want family visits, but in the eyes of the law it is more important that there should be access by a lawyer," Judge John Didcott said in reading out the court's judgment.

The court struck down several clauses in a section outlawing "subversive statements." The section has restricted press reporting.

One clause that was removed forbade statements that could weaken or undermine public confidence in the state of emergency.

Another clause to be removed outlawed statements that could engender feelings of hostility toward any section of the public or person.

"It goes way beyond the powers of the state president to punish people for engendering feelings of hostility in one person against another in a private matter," Mr. Didcott said.

Mr. Didcott said in a crowded courtroom that several aspects of the definitions on subversive statements were "hopelessly uncertain."

When final arguments were heard Tuesday, Mr. Didcott said of the proclamation of the state of emergency, "Nobody can be sure any more when he is committing an offense and when he is not." He said the regulations on subversive statements precluded "just about any political description of or political report on South Africa."

In another legal development Wednesday, a liberal South African newspaper editor due to stand trial for quoting Oliver Tambo, the leader of the outlawed African National Congress, said that the state had withdrawn charges against him. The state will prosecute the publishing company instead.

Anthony H. Heard, editor of the Cape Times published by South African Associated Newspapers, said his lawyers had been informed of the decision by the deputy attorney general, F.W. Kahn.

"I'm very relieved that after nearly eight months I am no longer to stand trial," Mr. Heard said in a statement. "I have no idea what is in the state's mind."

He said the move was not related to talks between himself and the authorities.

"There were no understandings and no deals," he added.

■ **More South Africans Held**

The Zambian government, which has been holding four South Africans as alleged spies for seven weeks, said Wednesday it had detained two more South Africans on the same charge, The Associated Press reported from Lusaka, Zambia.

Pretoria Unveils Updated Jet Fighter

Reuters

JOHANNESBURG — President Pieter W. Botha of South Africa unveiled on Wednesday a modernized jet fighter designed to upgrade the country's air force of aging military aircraft. He said the plane demonstrated Pretoria's ability to stand up to sanctions.

"We are a strong and proud nation with the faith and ability to ensure our future," Mr. Botha said at a ceremony in Kempton Park, near Johannesburg, to introduce the jet, named Cheetah. "We are not a nation of jellyfish."

The Cheetah, the result of a secret project by the Armaments Corporation and a subsidiary, the Atlas Aircraft Corporation, is an improved French Mirage, which went into service with the South African Air Force in 1963.

The Cheetah has South African weapons and aviation electronics.

South Africa developed an advanced weapons industry after being subjected to an arms embargo in 1977. It now exports arms.

Mr. Botha said the Cheetah, which officials described as a match for Soviet-built MiG-23s used by Angola, one of Pretoria's main opponents, demonstrated the response to sanctions.

"This will always be our response to international boycotts and threats against us," he told industrial executives and others.

"If it is expected of us to forego essential manufactured products, let us manufacture it ourselves," he said.

"We realize the importance of international cooperation but will not allow ourselves to be humiliated and undermined in order to escape sanctions," Mr. Botha said.

No detailed specifications of the Cheetah were made public, but the project appeared similar to Israel's Kfir jet, also based on a Mirage.

Military sources in Pretoria said it should be possible to build the Cheetah from scratch if necessary.

SANCTIONS: *Senate Action on South Africa Nearer*

(Continued from Page 1)

breakup of the British Commonwealth over the issue.]

Reagan administration officials acknowledged that a tentative decision to name a black public relations executive, Robert J. Brown, as the next ambassador to South Africa was part of an effort to buy time in the face of the increasing congressional pressure to impose severe economic sanctions.

The officials made it clear that the White House was determined to prevent a congressional takeover of U.S. policy toward Pretoria. Toward that end, Mr. Reagan's advisers are trying to put the boldest possible face on the policy reassessment under way within the administration.

Administration officials said Tuesday that the United States had notified South Africa of the possibility that it might nominate Mr. Brown. The officials said the South Africans had no immediate reaction to the possible move.

A subcommittee of the Senate's Banking, Housing and Urban Affairs Committee, headed by Mr. Heinz, began hearings on the sanctions issue. Senator Edward M. Kennedy, Democrat of Massachusetts, and Senator Lowell P. Weicker Jr., a Connecticut Republican, told the panel that swift economic pressure now offered the last chance to persuade South Africa to avoid a civil war.

Meanwhile, Mr. Lugar reported that Mr. Reagan indicated at a White House meeting Tuesday morning that the administration would unveil its new policy toward South Africa "in a week or so."

Secretary of State George P. Shultz, who met with Republican leaders Tuesday afternoon, is to testify before the Senate Foreign Relations Committee on July 23.

The worsening situation in South Africa has touched off unprecedented demands on Capitol Hill for forceful action. The House of Representatives approved legislation last month that would place a total trade embargo on Pretoria and force American companies to withdraw their investments.

A similar bill has been introduced in the Senate, along with somewhat milder versions that would bar future investments but would not require the withdrawal of current investments.

Also at Tuesday's hearing, several lawyers and businessmen argued against a strong sanctions bill on the ground that it would harm American investors and make little impact on Pretoria. John C. Van Eck, the chairman and president of International Investors Inc., a company that invests heavily in South African gold mines, said that Americans own as much as $4 billion worth of shares, directly or indirectly, in the South African gold mining industry.

But the presidents of 95 colleges, in a letter sent to all members of the Senate and leaders of the House, urged Congress to approve strong sanctions.

"Legislation will convey more effectively than anything else the breadth and depth of national feeling against apartheid," said the letter, which did not suggest what sanctions be adopted.

WORLD BRIEFS

Soviet to Keep Using Graphite Reacto

GENEVA (Reuters) — The Soviet Union plans to continue building and operating graphite nuclear reactors like the one at Chernobyl that malfunctioned in April, a Soviet expert said Wednesday.

Colonel Arlen Kuznetsov, a member of the Soviet arms negotiating delegation here, said at a news conference that the Soviet five-year development plan envisaged putting "a considerable number" of such graphite core reactors into operation. But safety features will be improved, he said.

"We still believe that this is one of the safest types of reactors and has been corroborated by findings of the International Atomic Energy Agency in 1983," Colonel Kuznetsov said.

2 Russians Land After 125-Day Flight

MOSCOW (Reuters) — Two Soviet cosmonauts, Leonid D. Kizim and Vladimir A. Solovyov, returned to earth Wednesday after 125 days in orbit. In May and June, they made the first-ever flights between two orbiting stations, the Mir and the Salyut-7.

The cosmonauts landed in their Soyuz T-15 descent module 33 miles (55 kilometers) northeast of Arkalyk, in the republic of Kazakhstan, the press agency Tass said.

Like other highlights of the flight, the landing was shown live on television in an apparent gesture of confidence compared with the secrecy of past years. The cosmonauts photographed the Chernobyl nuclear power station in the Ukraine after the April 26 reactor accident there.

Shuttle Funds May Be Cut by a Fourth

WASHINGTON (WP) — The Senate and House Armed Services committees are moving toward a $566-million cut in air force funds set aside to pay NASA for military use of the space shuttle, which would reduce the program's operating budget by one-fourth.

A National Aeronautics and Space Administration budget official said that the cut, if upheld by both houses of Congress, would have an "incredible" impact. It would severely complicate NASA's struggle to recover from the Jan. 28 Challenger disaster.

The Senate Armed Services Committee, looking for $20 billion in cuts from fiscal 1987 Pentagon request under the federal budget-balancing law, has voted to cut the air force shuttle funds. The House Armed Services Committee is expected to do the same next week.

Morocco's Hassan Postpones U.S. Visit

Reuters

King Hassan

RABAT, Morocco (AP) — King Hassan II of Morocco announced Wednesday he has postponed a planned visit to Washington starting July 22, which will include talks with President Ronald Reagan, for "several days" for unspecified health reasons.

Moroccan officials, speaking on condition of anonymity, said that it was true that Hassan was "extremely tired" following the collapse of his efforts to organize an Arab summit meeting in Fez but that his health was unlikely to be the only reason for postponing the trip.

They said the king traditionally leads prayers on the Islamic feast of Ait El Khebir, which is Aug. 10 this year. They said he is also preoccupied with the forthcoming summit meeting of the Organization of African Unity despite Morocco's two-year-old boycott of that organization for seating members of the Polisario Front, which is fighting Morocco for control of the Western Sahara.

Progress Seen at Talks in Stockholm

STOCKHOLM (Reuters) — The Warsaw Pact made a concession Wednesday at the European disarmament talks that, Western delegates said, increased the conference's chances of success.

The concession, to postpone discussions of air force activities, was announced at the 35-nation Conference on Disarmament in Europe by Wlodzimierz Konarsky, head of the Polish delegation.

The Warsaw Pact had wanted this issue to be included in the disarmament talks. North Atlantic Treaty Organization members had wanted the conference to concentrate on ground forces.

Liberia Thanks Libya for Investments

MONROVIA, Liberia (AP) — President Samuel K. Doe thanked Libya on Wednesday for investing in Liberia and said he hoped to meet with the Libyan leader, Colonel Moammar Gadhafi, at next month's summit meeting of the Organization of African Unity in Addis Ababa, Ethiopia.

General Doe's remarks, at the inauguration of a glass factory partly financed by Libya, caused some surprise among Western diplomats in view of the strains in Libyan-Liberian relations over the past five years. Liberia depends heavily on American assistance.

General Doe noted that Colonel Gadhafi was the first to recognize his military regime when Liberia's civilian government was overthrown in April 1980. In late 1980 he ordered the Libyan embassy in Monrovia closed for unspecified reasons.

FRANCE: *Chirac Says Mitterrand Forces Crisis*

(Continued from Page 1)

decree to cut short debate on important legislation in the National Assembly.

The constitution of the Fifth Republic requires that decrees be countersigned by the president to become law. But it does not make clear whether the president has the right to withhold his signature in the event of disagreement.

With only a three-seat majority in the National Assembly, the Chirac government had been eager to push ahead with its denationalization plans without parliamentary debate.

The immediate effect of Mr. Mitterrand's refusal to sign the decree will be to delay the Chirac electoral program by several months.

According to a spokesman, Mr. Chirac said at the cabinet meeting Wednesday that he would submit new legislation on denationalization to a cabinet meeting next week. It would then be debated by Parliament.

In his television broadcast, Mr. Chirac described Mr. Mitterrand's refusal to sign the decree as "unprecedented." But, Mr. Chirac said, his government could not take the responsibility for jeopardizing France's "economic recovery" by provoking a "political crisis."

Rejecting Mr. Mitterrand's argument that the companies might fall into foreign hands, Mr. Chirac said the president was "opposing the will of a majority of French people that was clearly expressed during the last elections."

PAKISTAN: *U.S. Sale of Sensitive Technology Likely*

(Continued from Page 1)

ters reported from Washington.

["Pakistan is making great strides in its transition toward democracy," Mr. Reagan said. He added that since progress was being made in "a volatile environment, such peaceful change bodes well for Pakistan's future."]

An administration official, noting that Mr. Reagan has certified annually to Congress that "Pakistan does not possess a nuclear explosive device," said that "we see no reason at this time to change our conclusion."

In carefully worded responses to questions from reporters, the official would not forecast whether the same conclusion could be certified to Congress in October, when the next such presidential statement is required as a condition of U.S. aid.

Pakistan is the fourth largest recipient of American aid, and the Reagan administration has asked Congress to approve a new six-year, $4.2-billion package to take effect when the current $3.2-billion program ends next year.

The official said Pakistan had been told "with great frankness" that U.S. aid would be stopped "if they have acquired a nuclear weapon."

U.S. spokesmen would not comment directly on reports that the United States and the Soviet Union had recently engaged in tough talk about Pakistan's nuclear program. A State Department spokesman, Bernard Kalb, did say that "the United States remains fully committed to Pakistan's security in the face of continuing military threats from the Soviet Union and the Afghan regime."

The new agreement, allowing Pakistan to buy sensitive U.S. technology to improve the performance of its economy, contains controls designed to prevent the products from slipping into Soviet bloc nations. Most of the technology is considered useful for civilian as well as military and nuclear purposes.

Like the memorandum of understanding on technology between the United States and India, this agreement with Pakistan will remain secret.

The agreement is seen by Pakistan as a way of cementing its relations with the United States, especially since closer ties have developed over the past year between the Reagan administration and India. The two South Asian neighbors have fought three wars since British India was partitioned and they gained independence in 1947.

DEFECT: *Dispute Over Economist*

(Continued from Page 1)

after his arrest on the shoplifting charge, had asked to meet with the West German intelligence service. He was flown to the headquarters near Munich and was permitted to move about freely, Mr. Ost said.

West German officials said Mr. Meissner had signed a statement saying he was remaining in the West of his own free will. He was scheduled to meet Tuesday with intelligence officials for a second round of talks but did not turn up, the officials said.

It was unclear whether Mr. Meissner's initial decision to remain in the West reflected panic over being caught shoplifting or was part of some East German ruse to determine how West Germany treated potential defectors, observers said.

The Cologne daily Express, which is believed to have close relations with West German intelligence, said Mr. Meissner slipped away from shadowing agents after he told his questioners that he wanted to return to his third wife and his children from the previous marriages.

Mr. Meissner, 59, has been a leading figure in East German scientific circles. He was active in a campaign against the U.S. Strategic Defense Initiative, the space defense project called "star wars."

He is also chairman of the Urania Science for All movement, which encourages public awareness of scientific affairs and supports the East German government's science policies.

■ **Swift Return Demanded**

East Germany demanded the immediate return of Mr. Meissner, Reuters reported from Bonn.

A Foreign Ministry spokesman in East Berlin said, in reply to a question, that the economist should be allowed to return home "immediately and unharmed."

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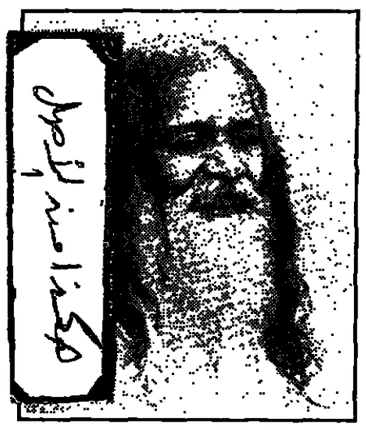

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Maharishi's Program to Create World Peace will be inaugurated for the whole world on July 21 in New Delhi, India. The inauguration will include a demonstration of "Yogic Flying," the mechanics to create coherence in world consciousness, the basis of world peace.

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Litton Subsidiary Admits $6.3-Million Overbilling Of U.S. Military, Is Fined

By Lindsey Gruson
New York Times Service

PHILADELPHIA — The military contracting arm of Litton Industries Inc. has agreed to plead guilty to 325 counts of fraud for overbilling the Defense Department by $6.3 million, the largest case of false billing by a military contractor.

The unit, Litton Systems Inc., the 19th-largest military contractor for the United States, also agreed Tuesday to pay the government $15 million, the maximum allowable, in fines, civil penalties, interest and restitution, company officials and federal prosecutors said.

Litton executives obtained blank receipts from subcontractors and billed in whatever amount they thought the auditors would pay," said Nicolas C. Harbist, an assistant U.S. attorney.

He said the company charged the Pentagon up to four times the true cost for electronic components under 45 contracts between 1975 and 1984. The contracts, for radar and other equipment, were worth a total of $20 million.

The practice was so common that officials at a Litton Systems wholly owned subsidiary, Clifton Precision division of Springfield, Pennsylvania, routinely referred to it as "taken fat," prosecutors said.

The parent company's chairman, Fred W. O'Green, said in Beverly Hills, California, that the overbilling had been an aberrant practice by executives at a tiny division and that the company had taken steps to make sure it would not happen again.

Clifton Precision Devices employs about 1,000 people and has annual sales of about $25 million, about 0.5 percent of the parent company's sales, according to the statement.

The Defense Department said it was reviewing the indictment and would soon decide whether to suspend Litton Industries or its units from being considered for new contracts. Under government regulations, an indictment on charges of contract fraud usually results in suspension.

The agreement to plead guilty was announced simultaneously with the indictment, which charged Litton Systems, Clifton Precision and two former Clifton executives with defrauding the Defense Department.

Prosecutors said it was the first time racketeering had been charged in connection with an investigation of military contractors. The charge was brought under an act intended to crack down on organized crime that is increasingly being used in cases involving white-collar crime.

Prosecutors said Litton Systems had tried to cover up the fraud by destroying documents and lying to investigators. The investigation into the cover-up is continuing and could lead to criminal charges against other Litton officials, they added.

The Pentagon's inspector general said last month that his office was investigating 45 military contractors, including 9 of the 10 biggest, on charges that included bribery, kickbacks and bid rigging.

Another Litton subsidiary, Ingalls Shipyard in Pascagoula, Mississippi, the Navy's largest shipbuilder, acknowledged last year that it had submitted false bills.

In a case similar to Tuesday's indictment of Litton, the General Electric Co. was fined $1.04 million last year after it pleaded guilty to overbilling the air force by $800,000 on a missile contract. At the time, Justice Department officials said it was one of the largest cases involving false billing to the Defense Department.

Several stock analysts said that the guilty plea and the $15-million payment should have little impact on Litton, one of the country's largest conglomerates.

"It's not a lot of money for a company that does billions of dollars of defense work," said Lawrence W. Lytton, an aerospace analyst for Drexel Burnham Securities in New York.

Johnny Sanchez/Reuters

Head of Tontons Macoutes Sentenced to Death

Luc Désir, 61, head of Haiti's secret police, or Tontons Macoutes, under François and Jean-Claude Duvalier, was found guilty by a jury and sentenced to death Wednesday on charges of torture, illegal arrests and murder. Mr. Désir, who held the post for 20 years, pleaded not guilty to the charges.

Americans Abroad Would Pay More Under 2 Tax Proposals

By Robert C. Siner
International Herald Tribune

WASHINGTON — House and Senate conferees begin work Thursday on tax revisions that are likely to include reducing the earned income exclusion that benefits many Americans abroad.

Americans living outside the United States now may exclude $80,000 of income earned abroad from U.S. taxes, with that figure rising to $85,000 for income earned in 1988, to $90,000 for 1989, and $95,000 in 1990.

The Senate tax revision bill would cut the exclusion to $70,000 and freeze it at that amount indefinitely. The version passed by the House of Representatives, like that passed by the Senate, would reduce the exclusion, but only to $75,000, and freeze it there.

However, it would subject all taxpayers who use the exclusion to a 25 percent alternative minimum tax. For most Americans abroad, this could mean a large tax liability, often in the thousands of dollars, particularly in situations where no U.S. taxes had been owed under the current law.

The conferees must reach a compromise tax revision package from the versions passed separately by the House and the Senate for President Ronald Reagan to sign.

To calculate the minimum tax under the House bill, a taxpayer would total his U.S. and foreign salary, allowances, interest and dividend income. He would then take personal exemptions and itemized deductions or the standard U.S. taxpayer deduction.

The taxpayer would then subtract a "threshold amount" of $30,000 for a single person or $40,000 for a married couple. Twenty-five percent of what was left would be the minimum tax. After calculating the minimum tax, the taxpayer would then compute his taxes using the $75,000 exclusion and pay whichever amount was greater.

However, the current foreign tax credit — under which income taxes paid to a foreign government can be partly credited against U.S. income taxes — would still be available. It would not be subject to the minimum tax.

Using the foreign tax credit instead of the income exclusion, Americans with high incomes in high-tax countries, might end up saving thousands of dollars under the House plan.

The Senate bill contains a provision, aimed at increasing the tax compliance of Americans abroad, that would require that passport applicants, including renewals, complete an Internal Revenue Service information return disclosing foreign residence. A study by the General Accounting Office last year indicated that up to 61 percent of Americans living abroad may not be filing income tax returns.

The House version contains no such provision.

As the conference committee begins its work, there is no indication whether the House or Senate language dealing with taxation of Americans abroad will prevail.

There will be great pressure to keep the compromise measure "revenue neutral" so that any new tax breaks that are added to the bill will have to be paid for by adding revenue somewhere else. Any increase in tax revenue by brought about by decreasing the value of the foreign earned income exclusion, either through deeper cuts or through a minimum tax, could become increasingly attractive as the conferees work through the package.

But because members of Congress are deeply concerned by the dismal U.S. trade performance, they are likely to avoid taking any action, such as sharply increasing taxes on Americans working abroad, that would injure the competitive position of American companies abroad.

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In Bolivia, U.S. Blurs Its Own Traditions

By Stuart Taylor Jr.
New York Times Service

WASHINGTON — The plan, made public Tuesday, for U.S. Army personnel to help Bolivian anti-drug forces appears to advance the erosion of U.S. laws and traditions separating the military from law enforcement.

Administration officials have said that such operations are permitted by law and are justified by what President Ronald Reagan, in a national security directive in April, described as the drug trade's threat to national security.

But critics warned Tuesday that breaking down the traditional separation of the military from law enforcement raises legal concerns and potential dangers for civil liberties and military readiness alike.

They also expressed concern about the administration's increasingly broad invocation of "national security" as a basis for unilateral presidential actions.

These critics, including the American Civil Liberties Union, did not assert that operations by U.S. military forces, such as that planned in Bolivia, were clearly illegal. The probability that any court would rule them illegal is almost zero, some critics conceded.

But they questioned the administration's position that neither the Posse Comitatus Act of 1878, which generally bars using the military to enforce the laws, nor the War Powers Resolution of 1973, which mandates a congressional role in sending military forces into situations where hostilities are likely, cover such actions.

Since about 1980, heightened concern about increased narcotics trafficking and the inability of ordinary law enforcement techniques to stop it has created great pressure in Congress and the executive branch to throw the vast resources of the military into the fray.

NEWS ANALYSIS

Congress has responded cautiously by authorizing limited use of navy ships and military surveillance planes to help law enforcement authorities track suspected drug smugglers, mostly through "passive assistance" or by sharing information picked up during normal military operations.

But Barry Lynn, an American Civil Liberties Union legislative counsel in Washington, asserted Tuesday that it was "inappropriate" and arguably unconstitutional for the military to be involved in any way in civilian law enforcement operations.

Mr. Lynn also stressed what he called the danger to civil liberties posed by involving military personnel, who are not trained in law enforcement or in respect for civil liberties, in such operations.

The Posse Comitatus Act, as amended over the years, makes it a crime to use the army, navy or the air force "as a posse comitatus or otherwise to execute the laws." Translated from the Latin as "power of the county," posse comitatus is the right of authorities to summon citizens to help enforce laws.

Congress, over the years, has created exceptions authorizing the use of the military to quell riots, protect the president and perform some other domestic functions.

Another exception was made in 1981 when Congress, seeking to stem the flow of illegal drugs, authorized use of military equipment, operated by military personnel outside the United States, "as a base of operation by federal law enforcement officials to facilitate the enforcement" of the laws.

The 1981 law limited such actions to "emergencies" jointly declared by the attorney general and the secretary of defense. It was strongly resisted by military leaders, according to a former Justice Department lawyer involved with the issue.

Administration officials have indicated that they think the 1981 law made it clear that operations such as that planned in Bolivia do not violate the Posse Comitatus Act.

But Michael Ratner, an attorney with the Center for Constitutional Rights in New York, and Jules Lobel, a professor at the University of Pittsburgh Law School, said Tuesday that a case could be made that the act might bar military participation in narcotics operations abroad. They also said such an operation could be covered by the War Powers Resolution if the circumstances indicated that the military personnel might be shot at.

The War Powers Resolution was passed by Congress in the last stages of the Vietnam War to prevent the president from involving the United States in foreign wars without congressional assent. It requires the president to take specific steps to consult with Congress whenever he introduces "armed forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances."

Allen Adler, another American Civil Liberties Union legislative counsel, questioned Mr. Reagan's assertion that a military role is justified because the drug trade threatens national security by destabilizing democratic allies through the corruption of police and judges.

Philippine Rights Panel Rejects Inquiry on Rebels

By Abby Tan
Washington Post Service

MANILA — A panel investigating human rights violations by the government of former President Ferdinand E. Marcos rejected Wednesday requests from the Philippine armed forces to investigate abuses by the Communist New People's Army.

The Presidential Committee on Human Rights said its mandate under President Corazon C. Aquino was limited to investigating abuses committed by officials or agents of the government.

The committee vice chairman, Horacio B. Reyes, said that violations of human rights by the New People's Army could be handled by government prosecutors "without intervention by the committee."

The issue of human rights investigations, which have centered on officers who allegedly committed abuses on behalf of the Marcos government, has caused tension between the military and the Aquino government.

The military opposes what it perceives to be a double standard on the issue by the part of Mrs. Aquino, asserting that Mrs. Aquino has released from prison Communist leaders the military accuses of killing people.

Military officers who bitterly resent the investigations have derisively called the Commission on Human Rights the "commission on NPA rights." NPA stands for New People's Army.

The commission's decision not to investigate alleged rights abuses by the Communist guerrillas came in response to a request by Fidel V. Ramos, chief of staff of the armed forces.

General Ramos had urged the panel to investigate graves found in Misamis Oriental province on the island of Mindanao that contained 215 corpses. General Ramos said the victims were suspected of being informers by the guerrillas and were executed.

Meanwhile, military authorities received a taped message from Brian Lawrence, a kidnapped American missionary, who said he was well.

"This is Brian Lawrence," he said in the tape, which was released Wednesday by military authorities. "It is Tuesday afternoon. I want to inform my family, especially my wife Carol Ann, that I am fine. I am treated well and I have plenty of food. I have not been harmed physically in any way."

Reuters

Salvador H. Laurel

Mr. Lawrence said his captors were seeking independence for Mindanao.

There was no further information about the fate of 10 Filipino Roman Catholic nuns who were kidnapped Friday, the day before before Mr. Lawrence was taken hostage.

■ Laurel Might Run

Vice President Salvador H. Laurel of the Philippines indicated Wednesday he would consider running for the presidency in national elections that he said were expected next February, The Associated Press reported from Brussels.

President Aquino "has already indicated that she does not want to run, and if I am called upon I will certainly do my duty," he said in an interview with the Standaard newspaper of Brussels.

BOLIVIA: *U.S. Forces Taking Part in Drug Operation*

(Continued from Page 1)

en logistical help to civilian drug enforcement agencies in the United States and, infrequently, abroad in the last few years. But U.S. officials said the Bolivian operation was the first time a U.S. military contingent had been sent to another country to help fight drug traffickers in a situation in which gunfire is likely and the Americans have permission to use their weapons.

Administration officials said they had decided that the operation did not fall under the War Powers Resolution, which requires notification of Congress before combat operations begin. Nonetheless, administration officials gave confidential briefings Monday to several House and Senate committees.

The operation comes just as the United States has decided to cut off a large part of Bolivia's foreign aid for 1986 because the country has not eradicated a significant portion of its coca crop, estimated by the State Department in February at more than 35,000 tons (38,000 metric tons) of coca leaf a year.

As the world's second largest producer of coca leaf after Peru, Bolivia has been under pressure for many years to eradicate its crop.

This year, the United States made part of its foreign aid, the $14.4 million in economic support funds that are in essence a grant, conditional on coca eradication.

The Bolivians did not undertake significant eradication, so half the $7.2 million, was withheld. The other half already had been paid.

The cutoff was the first under a 1982 law requiring the withholding of U.S. foreign aid to drug trafficking countries that, in the president's view, do not make adequate progress in attacking the problem.

The last time Bolivia undertook major anti-drug operations, most of the traffickers learned of the plan in advance.

In August 1984, Bolivian troops marched into the central Chapare region, where about one-quarter of the world's coca is grown, but by the time they got there the traffickers had fled.

The Bolivian military also undertook what were called surprise raids on cocaine-processing laboratories in the Beni region, but most of the traffickers had fled into the jungle.

U.S. officials said they would not be surprised if the situation this time turned out to be the same. But they said that the resolve to use military force against drug traffickers might be as important as any arrests or seizures.

Although U.S. military forces have not been used in a directly comparable situation, a few soldiers did help the Colombian armed forces two years ago by manning sophisticated communications equipment during drug raids.

■ Newspapers Expose Raids

Bradley Graham of The Washington Post reported from La Paz:

U.S. and Bolivian authorities had tried to keep the operation secret until the raids started. But Bolivian newspapers Tuesday afternoon carried front-page reports of the landing Monday in Santa Cruz of the C-5A cargo plane, which unloaded the six helicopters, and of a C-130 aircraft carrying trucks, jeeps, radio equipment and field gear for a camp installation.

The stories, published in Santa Cruz and the capital, heralded the start of what one paper called an "anti-drug operation on a grand scale."

These press reports removed the element of surprise that drug-enforcement officials had been hoping to maintain, and seemingly reduced the likelihood of the raids capturing major traffickers.

But the operation, which is understood to be targeting large and sophisticated cocaine-processing laboratories set up in growing numbers recently in north-central Bolivia, still could have a substantial impact on the country's extensive drug trade.

Fresh Dispute Over Frontier Precedes China-India Talks

Reuters

NEW DELHI — A new dispute has broken out between India and China over their border only days before the two countries are scheduled to resume talks over the frontier.

An Indian government spokesman said Tuesday that Chinese troops and herdsmen had intruded into India's northeast territory of Arunachal Pradesh. The Beijing government Wednesday rejected the allegations and said the area belonged to the Chinese.

An official with the Indian External Affairs Ministry said that in the past about 40 Chinese had set up camps five miles (eight kilometers) inside Indian territory in the Sumdorong Chu Valley.

The official said, "We had protested strongly about this intrusion and the Chinese government and reiterated their contention that this area is on their side of the frontier."

The representatives of the world's two most populous nations are due to meet July 21 in Beijing for their fourth session since 1981 to discuss the dispute, which led to fighting between them in 1962.

A total of 49,000 square miles (128,000 square kilometers) claimed by India as part of Jammu and Kashmir state and Arunachal Pradesh territory are under dispute.

China said last month it would withdraw from 14,500 square miles of Kashmir it occupied in 1962 if India ceded 34,600 square miles in Arunachal Pradesh, which borders Tibet.

An Indian official, rejecting the offer, said, "A border is a border and we are not talking of a barter arrangement."

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An Arms Opportunity

It is now almost safe to assume that Ronald Reagan and Mikhail Gorbachev will meet in Washington in December or January. Statements by both sides point in this direction. The Soviet Union, in a series of wide-ranging proposals on strategic and medium-range nuclear weapons, the U.S. Strategic Defense Initiative and conventional arms has softened its position on several important points. President Reagan has described some of the Soviet proposals as "serious" and even as constituting a "turning point."

President François Mitterrand of France has returned from Moscow praising Mr. Gorbachev's "realism."

The "yawning chasm" between the U.S. and Soviet positions "has become a bridgeable gap," says David Owen, the former British foreign secretary, who was in Moscow recently.

The Reagan administration has said that a formal answer to Mr. Gorbachev is being drafted. Soviet and American arms negotiators are due to meet again in Geneva in September. At about the same time the two foreign ministers, George Shultz and Eduard Shevardnadze, are to meet during the United Nations General Assembly session in New York.

The Soviets have served notice that they will come to a new summit meeting only if they can be sure of agreement on some issues of arms control.

The Reagan administration thus faces a deadline. The president will have to choose between conflicting advice. Aides at the Pentagon want him to treat the Soviet proposals primarily as a propaganda exercise and an attempt to create tension between the United States and Western Europe. Others — reportedly the majority of the administration's arms experts — feel that the Soviet position has evolved sufficiently to give a reasonable chance to serious negotiation.

Mr. Reagan's Strategic Defense Initiative is the key. After maintaining for a long time that no arms control agreement of any kind is possible as long as the United States persists in SDI research, the Soviets are now concentrating on efforts to block the testing and deployment of such a system. Under one of their proposals, the two sides would start making deep cuts in their offensive nuclear forces and at the same time undertake to defer for many years the testing and deploying of a space-based missile defense.

Put another way, the Soviets are offering to reduce the number of their missiles aimed at America and Western Europe in exchange for American willingness to extend the ABM treaty for 15 to 20 years. This treaty, which puts severe restrictions on the testing and deployment of nuclear defense systems, can be abrogated on six months' notice under its current terms.

The differences between the two sides have been narrowed enough to raise the possibility of such a compromise. Further bargaining will be necessary and will take months. If such an agreement were reached, the world's nuclear armaments would be reduced for the first time — not just limited. Mr. Reagan and Mr. Gorbachev could both take credit.

Mr. Reagan has given no sign that he may be willing to see his "dream" of an impenetrable space defense system limited to research — that is, used as a bargaining chip in negotiations. In our judgment, this is the course he should take.

INTERNATIONAL HERALD TRIBUNE.

Pakistan and the Bomb

Prime Minister Mohammed Khan Junejo of Pakistan has begun a Washington visit on the heels of a report that the Soviets have warned Pakistan it had better not build a nuclear bomb, something it seems increasingly prepared to do. Why might Moscow put in its two cents' worth? One possible reason — not one that Americans need to credit — is that the Soviets tilt to India in South Asia's basic local rivalry. But there is a worthier consideration. Moscow has no less an interest than Washington in keeping countries from acquiring nuclear weapons, lest they create difficulties — start a war — that could affect the whole world. Pakistan should not be building a bomb. President Reagan ought to underline the point.

Mr. Reagan has a good record on pressing nonproliferation on Islamabad. He has kept American concern before the Pakistani leadership, including the real power, President Mohammed Zia ul-Haq. He has wielded on Pakistan the leverage, legislated by Congress, that requires him to certify as a condition of aid that the recipient country does not "possess" an atomic bomb. Most important, Mr. Reagan has seen to it that American policy offers a practical alternative — American patronage — to the sort of geopolitical loneliness that drives an isolated and dangerously situated country such as Pakistan — whose principal regional rival, India, long ago exploded its own bomb — toward going nuclear.

Nonetheless, Pakistan may be moving relentlessly that way. Incorrectly, we believe, it may calculate that its support of the Afghan resistance, its start back toward elected government and its strategic utility will induce the United States not to push it too hard on the nuclear question. It can observe that India basically paid no large price — rather the contrary — for its nuclear assertiveness. Not just the military types but Pakistanis of different persuasions tend to underline the interests they share with America. But they see it as a country of shifting political moods and one that, in any event, is a long distance away.

It will take more than cautions from Moscow and Washington to ensure that Pakistan and, of course, India limit their respective nuclear programs. It will take a U.S.-Soviet consensus on regional stability and uncommon and parallel statesmanship by the regional parties. Meanwhile, the United States cannot afford to stop trying to contain the nuclear genie threatening to break loose on the Asian subcontinent.

— THE WASHINGTON POST.

Other Comment

Reagan: Pragmatism on Arms

Despite his strong, ideologically colored convictions, President Reagan is acting most often as a pragmatist. He has shown this again by accepting Moscow's request for a discussion of SALT-2 — and of Soviet compliance practices — in Geneva.

It took some time for the White House to understand that its decision not to observe this imperfect treaty had damaged the outlook for the next summit meeting and had irritated America's allies as well as Congress. While members of his administration persisted in calling the treaty a dead letter, Mr. Reagan kept the door open. Without changing his basic position, he started to mend the atmosphere with his speech in Glassboro, New Jersey. He recognized Mr. Gorbachev's seriousness and soothed feelings at home and in Western Europe.

For domestic reasons and alliance considerations, he had concluded that he should not let the summer pass without a positive intermezzo in Geneva. Mr. Reagan, above all, wants the second summit meeting to take place. Only by showing flexibility on arms control can he hope to persuade Congress to keep his defense budget and his Strategic Defense Initiative basically intact.

— *Frankfurter Allgemeine (Frankfurt).*

In the SDI Hobby Shop

Several hundred physicists have pledged not to work on the Strategic Defense Initiative, but others are attracted to the program: "When you start talking about ray guns and mirrors in space, you're talking about a wonderful hobby shop."

A hobby shop for engineers who might otherwise devote their talents to helping the United States stay ahead in the race with other industrial nations toward higher peacetime technology cannot be what Mr. Reagan originally had in mind.

He still can throttle back the hobby shop to reasonable levels of spending, somewhere between $2 billion and $3 billion a year, to build a base of real research that might some generations into the future diminish the nuclear threat. That would come naturally if he modified his position that "star wars" is off-limits for arms control agreements. An accord with the Soviets on major cuts in offensive weapons that still allows prudent "star wars" research is still in the cards. He must move in that direction before "star wars" takes on a life of its own.

— *The Los Angeles Times.*

A Hot Summer in Pakistan

The political temperature in Pakistan is rising once again. Benazir Bhutto's reception three months ago showed what had been suppressed under General Zia's eight-year period of martial law.

If the Bhutto bandwagon is able to recover its momentum, the general may be forced to take tougher action. To allow her a second successful spell would endanger his position with the army high command; many officers are questioning his attitude to her. But arresting Miss Bhutto, making her the gift of martyrdom, may accelerate her movement. Pakistan's long hot summer may be just the beginning.

— *The Times (London).*

Commonwealth in Question

Britain will have to sink or swim with South Africa if Prime Minister Margaret Thatcher continues to reject mandatory sanctions against apartheid. Even "white Commonwealth" countries like Canada and Australia are with black Africa in warning that Britain's obstinacy could unravel the 49-nation grouping.

Mrs. Thatcher insists that sanctions will only hurt black interests, an excuse that is wearing a little thin: The black majority themselves demand sanctions from abroad.

Commonwealth members are entitled to expect this to hold some significance for the "mother of democracies." If not, the meaning of the Commonwealth is in question.

— *New Straits Times (Kuala Lumpur).*

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OPINION

The Dimensions of Nakasone's Triumph

By George R. Packard

TOKYO — The victory of Prime Minister Yasuhiro Nakasone's Liberal Democratic Party in the Diet elections July 7 was a turning point in the history of modern Japan.

The dramatic capture of 50 seats in the House of Representatives gave the Liberal Democrats control of 304 of the 512 lower house seats. That, along with the devastating losses of the major opposition party, the Socialists, from 111 to 85 seats, has produced a new political landscape.

The significance of the results must be appreciated at three levels: as a stunning personal vindication of Mr. Nakasone, as a strengthening of Japan's political elite, and as at least a tentative victory for the internationalist tendencies in a nation that loves to look inward and traditionally has regarded the outside world as a hostile arena.

Mr. Nakasone, who combines the charisma of a Kennedy with the zest of a Reagan, defied conventional wisdom. During the past year he battled his bureaucrats to open Japan's markets; managed negotiations to try to satisfy angry congressmen in Washington; appeared on television urging his countrymen to buy foreign products and reduce Japan's trade surplus; defended the 40-percent rise in the dollar value of the yen since September despite the pain it causes to Japanese exporters; staged a summit conference of the seven industrial nations; and maneuvered his powerful party rivals into an election at a time they did not want. During the election campaign, he plunged joyfully into crowds like an American politician.

Long considered a maverick, Mr. Nakasone struck a responsive chord. Unlike his predecessors, he speaks clearly. He was the first prime minister to dare call the United States an ally. He made an official visit to the Yasukuni shrine, the spiritual home of Japan's war dead, angering left-leaning citizens who fear that he seeks to revive prewar-style emperor worship and militarism. He ignores his critics and eschews the saki-sipping rituals of his fellow politicians. He abhors militarism. But he has, in a period of austere budgets, gradually increased military spending.

Young voters appreciate his aggressive self-confidence, his ability to rub shoulders as an equal with President Ronald Reagan, Prime Minister Margaret Thatcher and President François Mitterrand. Suddenly, foreign policy can be enjoyable. Mr. Nakasone believes that the Japanese must re-enter the world as a confident people if they are to accept new international burdens. For this, they must cherish their older values and traditions. Yet he is mistrusted by some conservatives for his independent style.

Mr. Nakasone savored his triumph during an interview Monday. "For the first time in Japanese political history," he said, "I was able to bypass the government and party bureaucrats and take my case directly to the Japanese people. They responded as people responded to President Kennedy in 1960. The political scene will not be the same again."

Yasuhiro Nakasone, by PANCHO.

Up close, the Liberal Democratic Party seems an ordinary group of politicians. And yet, is there a more successful ruling elite in the world today? The party has governed Japan since the end of General Douglas MacArthur's postwar occupation and has produced extraordinary leadership from Shigeru Yoshida to Mr. Nakasone.

With his triumph last week, Mr. Nakasone can lay a firm claim to the mainstream of his party.

His rivals are planning to try to oust him when his term expires in October. They may succeed. Yet none of the three heirs apparent will change the basic policies that have guided Japan from the ashes of Hiroshima to the prosperity of today: dedication to democracy, to free enterprise and to a stable society.

Under the Liberal Democrats' leadership, the per capita GNP of Japan is about to surpass that of the United States. Japan is the top creditor nation in the world. Unemployment remains under 3 percent, inflation is low, savings are high and wealth is more evenly distributed than in most nations. Japan's scientific and technical progress is breathtaking. Crime, drugs and social alienation are less prevalent than in the West.

There are problems. Housing, social security and education need attention. A huge trade surplus angers the world. Flexibility and creativity are in short supply. But the Japanese tackle problems with gusto and believe the government can respond: 71.4 percent of eligible voters voted July 7, compared with 53.3 percent of Americans in the 1984 U.S. presidential election.

The most serious question is whether the Japanese can see themselves as the world sees them, drop their insularity and recognize that success creates responsibilities. They wonder if they are being punished for their hard work, and they long for respect, which eludes them.

Japan-bashing is one response, but it is the wrong one. If continued, it will ignite the fires of unhealthy nationalism.

Mr. Nakasone offers a different answer and summons the Japanese to step out as proud actors in the international order. His vision is not of a nation that will be subservient but of one that might be America's best ally and friend.

The writer, a specialist on Japan, is dean of the Johns Hopkins School of Advanced International Studies in Washington. He contributed this comment to The New York Times.

Aquino in the Tigers' Den: A Real Military Threat

By Carolina Hernandez

MANILA — *The takeover from* July 6 to 8 of the historic Manila Hotel by politicians and military men identified as followers of Ferdinand Marcos has highlighted tensions between elements in the armed forces and civilians in the government of President Corazon Aquino.

Following what had become regular Sunday rallies to protest what they consider to be Mrs. Aquino's unconstitutional rule, the Marcos loyalists, assisted by about 300 heavily armed soldiers, occupied the hotel and swore in Arturo Tolentino as the country's acting president. Mr. Tolentino was Mr. Marcos's running mate in the February elections.

Although the challenge to the Aquino government ended in failure, and the rebels still may face prosecution, the incident raised the issue of who really controls the military.

As president, Mrs. Aquino is commander in chief of the armed forces. During the incident, she and General Fidel Ramos, the army chief of staff, were visiting the southern Philippines. Defense Minister Juan Ponce Enrile, who was in Manila, directed negotiations with the loyalists.

These three officials made seemingly divergent statements on possible government action toward the loyalists. The explanation by a spokesman for a military contingent that provided "protection" to Mr. Tolentino and his followers in the hotel casts doubt on Mrs. Aquino's control of the armed forces.

The spokesman said that he and his men, from the central Luzon region north of Manila, came to the hotel in response to an order from "the secretariat" to assist Mr. Enrile and General Ramos because they reportedly had joined the loyalists.

Although both men denied any involvement and remained with the Aquino government, the explanation from the Luzon military unit suggests that its members were prepared to support a coup against the president if Mr. Enrile and General Ramos were to lead it. It also suggests that their loyalty is to those two men, both long-serving Marcos appointees, rather than to Mrs. Aquino.

This is particularly disturbing because Mr. Enrile is known to nurse presidential ambitions, and he has the support of some members of a group known as Reform the Armed Forces of the Philippines, or RAM.

Many influential figures in RAM are officers trained at the Philippine Military Academy, the equivalent of West Point or Sandhurst; they were the main force behind Mr. Enrile and General Ramos during the February military revolt and popular uprising that toppled Mr. Marcos and brought Mrs. Aquino to power.

Relations between Mr. Enrile and some cabinet members have not been smooth. They hold differing views on issues such as human rights, U.S. access to military bases in the Philippines, political prisoners and the Communist insurgency. Mr. Enrile's views on these issues tend to diverge from those of Mrs. Aquino and to coincide with those of the military.

Without awaiting a decision by the president, the defense minister gave a public assurance of amnesty for the 300 soldiers backing Mr. Tolentino if they returned to the side of the government's armed forces before an officially set deadline. All did so.

Mr. Enrile's action may be seen as an attempt to emphasize among the military his role as the advocate and protector of its interests, as well as to widen his support beyond RAM.

An Enrile aide has suggested that the armed forces want to become an equal partner with the civilians in Mrs. Aquino's coalition. But this is unlikely to be achieved without serious resistance, because such a partnership would be a continuation of the military's role under Mr. Marcos, a role widely opposed both by moderates and by radicals among Mrs. Aquino's supporters.

If the Manila hotel incident was a trial balloon for a future coup, those involved should realize that while some in the military back Mr. Enrile against Mrs. Aquino, any action by the security forces against her would fail without the people's support.

It also is unlikely that General Ramos would support a coup against the president. A professional soldier, he is likely to remain behind Mrs. Aquino for as long as she continues to enjoy popular backing. And within the Defense Ministry, there are many like General Ramos who back the principle of civilian supremacy.

Mr. Enrile is an astute politician and he must be aware that his best course at present is to remain a member of the Aquino team. Though he helped lead the revolt in February, many Filipinos remember him as one of Mr. Marcos's "12 disciples," who endorsed and enforced martial law.

For her part, Mrs. Aquino must strive to defend the military against unwarranted attacks from civilian leaders if she is to ensure its support for her administration.

The writer, a specialist in military affairs, is a professor of political science at the University of the Philippines. She contributed this comment to the International Herald Tribune.

At 'Dawn,' Talk of Peace Seems Distant

By Sheila S. Coronel

BASEY, Philippines — "Dawn" is the name of this training camp of the Communist New People's Army, the NPA, deep in the hills of Samar, the Philippines' third largest island. It was here, in the middle of a forest clearing accessible only by narrow, muddy trails, that several Filipino journalists were invited recently for the first press conference by rebel leaders on the island.

And so we went, escorted by a squad of guerrillas, riding down the placid waters of the Sohoton River, past caves, limestone cliffs and lonely clusters of palm thatch houses. Farther downstream, painted rice sacks floating on banana stalks greeted us, proclaiming: "Long live the NPA."

In their base and the surrounding mountain villages, the guerrillas operate freely. This is home to Company 2 of the NPA, a rugged formation of peasant soldiers. These fighters, mostly in their teens, go barefoot. Their commander, aged 30, is known as Basyo. A farmer's son, he says he has been a Communist fighter since he was 18.

Atong, political commissar of the company, is one of only a few outsiders. A labor activist, he was jailed shortly after President Ferdinand Marcos imposed martial law in 1972.

We asked these guerrillas and others we met why they were in the Dawn camp, battling not only "the enemy" but also the elements in these harsh, typhoon-battered hills.

They answered, as if with one voice, "because we come from the class of the oppressed." Stripped of the jargon of revolution, they meant the unrelenting poverty of their lives.

Samar is one of the nation's poorest islands. It has a backward agricultural economy controlled largely by landlords who traditionally demand two-thirds of the produce as land rent. Annual incomes are far below the poverty line, malnutrition is listed as a frequent cause of death and literacy is low. Conditions are so depressed that the island has one of the highest emigration rates in the country. All these factors, combined with heavy government military operations in the 1970s, made Samar fertile ground for insurgency.

The first Communist cadres started organizing in Samar in 1971, with one squad of ill-equipped guerrillas. Rebel leaders say there are now hundreds of NPA fighters, most of them with high-powered rifles. Leaders claim that they control two-thirds of the island and that they have "revolutionary mass organizations" in 70 percent of the 1,600 villages.

These villages are now in ferment. The government of President Corazon Aquino has initiated cease-fire talks and the national leadership of the Communist movement has expressed willingness to take part. But here in Samar the prospect of a truce is regarded with suspicion.

That is not surprising. The military revolt and popular uprising in Manila last February was hardly felt in the central islands. Battles between guerrillas and government troops in Samar continue to be fought.

Communist leaders on the island say they would welcome a truce because it would mean a respite from fighting and would allow time for training, education and moves to increase farm production. But there is resistance from the rank-and-file guerrillas and even from the organized villages. "Our difficulty," said Larry, a former seminarian and now a top cadre in Samar, "is trying to make our people understand that a cease-fire is good, that the leadership is not making a mistake."

He says it is hard to persuade the peasant guerrilla to put down his gun, for through it he has been able to achieve a measure of pride and power. Larry says the NPA is prepared for a truce but will never surrender arms because they "preserve the gains of the revolution."

One of the most important of these gains is land reform. Larry says that in many parts of Samar organized peasant communities, with the support of party cadres and NPA guerrillas, have been able to reduce land rent to one-third of the harvest. He says that Communist-controlled administrations exist at village level, setting policies on health, education, defense and the local economy. Militias composed of peasants armed with rudimentary weapons are responsible for protecting villages.

Party cadres claim to have helped raise literacy levels. They conduct public health courses and teach new farming techniques as they indoctrinate peasant communities with Communist political thought.

From Samar, any peace accord between the NPA and the national government seems a distant prospect.

The writer, a Manila newspaper columnist, contributed this article to the International Herald Tribune.

Pretoria's Politics of Hegemony

By David Martin and Phyllis Johnson

This is the second of two articles.

HARARE, Zimbabwe — The portion of Zimbabwe's trade through Mozambique, which was 53.9 percent in 1983, is now about 5 percent. The cheapest route for Zimbabwe's bulk exports is the railway to Maputo, but that route has been closed since it was sabotaged on Aug. 20, 1983, and its trade now passes through South African ports.

Having ensured Zimbabwean dependence on southern routes, South African authorities can divert or delay this traffic at will. Their insistence that Zimbabwe use ports other than Durban added $500 per ton to the freight cost of tobacco exports. There are hundreds of other examples of selective sanctions dating to 1981.

Angola is sometimes seen as a different case, for it has been fighting a war since South African troops invaded in August 1975. But similar economic considerations apply, and its Benguela railway has been blocked for more than a decade.

South Africa has a direct national interest at stake in Angola: The capture and control of the Cabinda oilfields would give Pretoria fuel security if an international oil embargo were effectively imposed.

Mozambique used to be an exporter of cement, with its Maputo factory drawing materials from a quarry south of the capital at Salamanga. But the railway line linking the quarry and the factory has been sabotaged repeatedly since October 1984. So Mozambique no longer exports cement, but spends 90,000 rand ($35,000) a month importing slag from South Africa. The local price of a ton of cement has risen by half.

The estimated costs to the region do not take into account the lost manufacturing output, development that has been arrested or deterred, lost investment and tourism, monies diverted to defense, and so on.

The incredible social cost cannot be quantified, now or in its implications for the future. This is starkly illustrated in Mozambique, where the national cattle herd has been slaughtered and the network of rural stores and health clinics has been destroyed. Mozambique's exports in 1985 were not enough to cover the oil import bill, yet it has a "mountain" of coal at Moatize that it cannot get to the sea and a "hill" of tea nearby.

Central to understanding why South Africa is imposing sanctions against its neighbors is an understanding of Pretoria's perception of its role, militarily and economically, as the region's superpower.

This "total strategy" policy, involving the mobilization of all forces — political, economic, diplomatic and military — in defense of apartheid emerged when Pieter W. Botha was defense minister. It was laid out in 1977 in a defense white paper that advocated economic and other "action in relation to transport services, distribution and telecommunications" aimed at promoting "political and economic collaboration" in the region. When Mr. Botha became the nation's leader in 1978, this became official government policy.

A leading foreign policy adviser to the South African government, Deon Geldenhuys, wrote a consultancy paper in 1981 that remains a guide for Pretoria's regional policy. Mr. Geldenhuys advocated limiting or prohibiting the use of South African railways and harbors for the trade of black-ruled neighbors, limiting or banning labor recruited from those states, creating delays at border posts, imposing trade curbs and curtailing or halting the provision of technical expertise. These proposals are being implemented.

But Mr. Geldenhuys emphasized that South Africa must not be seen to be openly applying economic coercion against its neighbors, for that would leave it vulnerable to calls for sanctions against apartheid itself. Explanations, justifications and the use of surrogates would be necessary, the adviser said, to disguise the reality and to protect South Africa from those who lobby for sanctions.

Since then, South Africa has overseen the systematic destruction of the region's alternate communications infrastructure, using military force, directly or indirectly, to maintain economic dependence.

The writers are directors of the Southern African Research and Documentation Centre in Harare and editors of the recently published book "Destructive Engagement: Southern Africa at War." They contributed this comment to The Washington Post.

IN OUR PAGES, 75 AND 50 YEARS AGO

1911: Turkish Moves

SALONICA — Turkey is endeavoring to guard against any prospect of an entente between Greece and Bulgaria. She realizes that the one brake on Turkey would be a Balkanic union. As a result, the dominant faction of the central committee of the Party of Union and Progress has been agitating the proposition of an alliance between Turkey and Bulgaria. This would be the initial step to an alliance of Balkan states which would be dominated by Turkey, because of her military strength. This same scheme has been coupled with active agitation of the proposal that Hungary should break away from Austria and head the combination. That is but one of the arrows of agitation that the dominant Turkish party has aimed at Austria-Hungary, for their one real desire is that trouble may arise in the Dual Monarchy.

1936: Attack on the King

LONDON — A club-footed man with a grievance against the government pointed a loaded revolver at King Edward as he was riding back to Buckingham Palace along Constitution Hill [on July 16]. As the man aimed at the King only a few yards away, the nearest spectators grabbed at the assailant, pushing his revolver hand upward. The man struggled and without shooting flung the revolver at the King. The weapon missed the King but struck his horse and clattered harmlessly into the roadway. The King, who witnessed the incident, rode on calmly. A huge crowd was thrown into turmoil by the attempt on the King's life. As the police subdued the assailant, cries of "Lynch him!" were heard. More threats were uttered but no opposition was encountered as police bore the prisoner off to Scotland Yard.

هكذا من الأصل

OPINION

Why Democrats Are Shouting, 'Hot Dern!'

By George F. Will

WASHINGTON — *Have you recently been exclaiming "hot dern"? No? Strange. In Dothan, Alabama, President Reagan said that "the American people" are caroling "hot dern," so blissful are they about tax reform.*

But everything, especially bliss, is written on water. And the following could be written on newsprint 28 months from now:

Nov. 10, 1988 — As President-elect [fill in the Democrat of your preference] begins cabinet-making, pundits, with 20-20 hindsight, are seeing that the seeds of Democratic victory were sprouting in the summer of 1986, when Gramm-Rudman and tax reform intersected.

Tremors of the political earthquake that reduced Republican presidential hopes to rubble began in mid-August 1986 when, as required by Gramm-Rudman, Congress was presented with a "snapshot" estimate of fiscal 1987. The picture was not pretty.

In January the Reagan administration had predicted 4 percent growth for the year. By late July 1986, growth was 2 percent and capital investment, even in the non-oil sector, was deteriorating.

In the summer of 1986, House-Senate referees on tax reform got into a genial bidding war to see who could do most for the "middle class." Soon that class was defined capaciously to include families earning up to $60,000. Only 20 percent of all families earn more than $50,000. Two-thirds earn under $35,000. The median income is about $24,500.

The tax treatment of IRAs was kept generous. Deductibility of sales taxes was retained after all. These concessions to the middle class were paid for by further burdening business with taxes.

President Reagan approved, although three years earlier he had suggested eliminating business taxes because it is unclear how they are raised — from what would otherwise be employee compensation, or from stockholder dividends, or passed along in the cost of the product. The Reagan administration was even willing to sacrifice preferential treatment of capital gains in order to preserve the 27 percent top rate for individuals, a rate that by July 1986 had become a full-blown fetish.

By then the stock market had risen 40 percent in nine months and doubled in four years, adding $1 trillion to investors' wealth. But one July Monday the Dow Jones industrial average plunged 61.87 points, knocking $74 billion off the value of stocks. In August came a sell-off as investors took capital gains before the higher tax rate hit. The sell-off fueled a bearish psychology.

In July 1986 the Federal Reserve Board cut interest rates, but the economy stayed flat. Consumer installment debt had risen 20 percent in two years. The tax bill that was signed into law by Labor Day 1986 was suited to extend the expansion a few more months by pumping money into the pockets of middle-class consumers — by, that is, making the national savings rate even worse.

By spring 1987, oil prices and inflation were rising. The new tax law ended tax breaks in January 1987 but did not cut rates until July, so it involved a one-year tax increase of $20 billion in 1987 — another drag on the economy.

In July 1986 the Supreme Court declared unconstitutional the Gramm-Rudman trigger mechanism. So in August Congress used the fallback mechanism: It legislated the across-the-board deficit-reduction budget cuts and sent the order to the president for him to sign. But he vetoed it.

He had always said his defense program took precedence over budget-balancing. By July 1986 Congress had already slashed his original fiscal 1987 defense request. The August 1986 "snapshot" showed that even with "creative bookkeeping" and "innovative accounting" (underestimating farm-support costs; counting the receipts from the sale of the unsold Conrail, etc.), the deficit estimate was going to trigger Gramm-Rudman's guillotine. That blade makes half of its cuts in the 28 percent of the budget that is defense.

By vetoing Congress' cut order, President Reagan blew up the Gramm-Rudman process. That convinced American investors and the watching world that $200 billion deficits did indeed stretch as far as the eye could see.

In July 1986, the 44th month of the slowing expansion, the Reagan administration had acknowledged that the deficit for fiscal 1986, ending Sept. 30, would top the 1985 record of $212 billion, perhaps hitting $220 billion.

The fiscal 1987 deficit was just as bad. By August 1987, the "snapshot" showed that the fiscal 1988 deficit would be $125 billion over the $108 billion Gramm-Rudman target.

The confusion of the autumn of 1986 produced a Democratic Senate, and the recession of 1987-88 produced the presidential landslide that today has blissful Democrats exclaiming, "Hot dern!"

Washington Post Writers Group.

Paul Weiss: A Metaphysician With His Own Mode of Being

By William F. Buckley Jr.

NEW YORK — A recent book recited the history of race prejudice at Yale University, with emphasis on the Excluded Jew. A few weeks ago Paul Weiss celebrated his 85th birthday. It is remarkable to contemplate that when his name was proposed in the late 1940s for a professorship at Yale, there was active opposition to the idea of a tenured Jew teaching undergraduates, the idea being that Jews simply didn't quite, er, fit in with Yale traditions. Yale was not alone in this ethnic provincialism.

Paul Weiss ran into a second prejudice when he reached the mandatory retirement age at Yale. That was in 1969. He was born in the year Queen Victoria died. So he accepted a chair of philosophy at Catholic University in Washington, where he has been uproariously active, writing a dozen more books, teaching, coaching, wheedling, teasing. Some who have experienced him think of him as the supreme teacher.

At Yale he was the liberal *à outrance*, but his orderly mind made it hard for him to defend liberalism's zanier forms. His exuberant wife quarreled with him only on the question of whom to vote for in 1948. She went for Henry Wallace, the choice of pro-Communists and surrealistic liberals. She was the latter, and died tragically two years later.

Paul Weiss brought out his magnum opus, "Modes of Being," a classic in philosophical literature, while engaging in the usual liberal causes, foremost among them in the 1960s being, of course, civil rights. He engaged in a fascinating quarrel, never totally healed, with his old protégé and colleague, William Sloane Coffin, who had been angered by a black doctor in New Haven who failed to report for duty at a designated sit-in against somebody. The doctor had made it as a black man and sought now an integrated life as distinguished from a life of political activism. Paul Weiss defended the doctor's decision, in dialogue worthy of Socrates.

At about that time, Professor Weiss had what I think of as his Roman Spring. He took a sabbatical and went to live in bohemia in New York City. There he took acting lessons, immersed himself in the theater, learned the basic calisthenics of ballet, studied music, sculpting, poetry and playwrighting, and developed an addiction to painting, which he continues to pursue in his search into the heart of existence. Four books issued out of that experience.

It will strike some as strange that the first Jewish tenured professor in the Ivy League should find work at a Catholic university so congenial. Paul Weiss would be amused at such befuddlement because theology, to the extent that it is based other than on revelation and its exegesis, is an inquiry into the nature of man and the nature of things, and metaphysics is Professor Weiss's bag. Nothing interests him more than the question of what we are, what time is, what being and existence are. He founded The Review of Metaphysics 35 years ago and served as its editor for years.

The easy philosophical eclecticism of the Jewish professor in a Catholic university reminds us of the ultimate appeal of universals. No sense of strain is felt, in the higher circles, among men seeking metaphysical truths. Paul Weiss's father was a tinsmith. Paul worked his way through college as a stenographer, went then to Harvard for his PhD, and there became a protégé of Alfred North Whitehead. He went on to the Sorbonne, Radcliffe, Bryn Mawr, Yale. He is one of those stellar figures that give pride to the republic. He brings smiles to those who experience him as a teacher.

I wish I could say that he had taught me a great deal, but I am not at home in metaphysics. As a human being he did, and I remember most piquantly one of his aphorisms: "I am not as bright as my students. I have to think before I write."

Paul Weiss rewrote "Reality" 38 times in readying it for publication. In so doing he edges S.J. Perelman up one point. Asked how many drafts he wrote, Perelman said 37. "Thirty-six would leave it too rough. Thirty-eight would leave it lapidary." Paul Weiss's work is lapidary, but that's O.K. in his case.

Universal Press Syndicate.

LETTERS TO THE EDITOR

...rench War, Nuclear War: The Comparison Is Naive

In your July 7 issue you published a column by George F. Will called "'Conventional' Slaughter at the Somme." His point was that conventional war is terrible, as evidenced by World War I's Battle of the Somme, in which 20,000 British soldiers died in a single day, and that deterrence with conventional forces is expensive in terms both of human and weapon resources.

Mr. Will believes that nuclear weapons are cheaper and that "if nuclear weapons were abolished, male undergraduates would find themselves headed not for the delights of investment banking but to army barracks on Europe's central front for the low-paying trade of deterring Soviet conventional forces."

This view is not only commonly held, it is also the basis of U.S. and NATO defense policy, notwithstanding the stated desire of President Ronald Reagan to eliminate nuclear weapons (on those occasions when he is not asking for more). To hold this view to be complacent and dangerous not only for our future investment bankers, but for all of us and for civilization itself.

In Hiroshima, 80,000 people died in a single second. In a nuclear East-West exchange, 200 million people may perish in the space of a few hours. The point is that these figures have no common measure even with the tragedy of the Battle of the Somme.

Mr. Will apparently sleeps quietly in the belief that the magnitude of the threat will preserve us from the event, as it has done for the past four decades. This recalls the story of the man who jumped from the Empire State building: "So far, so good," he said, passing the second floor. I find it difficult to be at ease under the threat of 50,000 atomic weapons that can be set off at any time without any of us being consulted, by people whom I have no reason to trust, or by accident, or even by a computer.

Furthermore, the threat evolves with time. As technology and the types and precision of delivery systems advance, the character of the nuclear confrontation changes, not always in the direction of increased stability. With each decade the number of nuclear powers increases, and the magnitude of their destructive potential grows. I can only admire the calm of Mr. Will and those responsible for Western defense policy, who imagine that the world will survive this threat for an indefinite period.

There is only one solution in our age of excessive destructive potential, and that is the accommodation of the two blocs to each other, the admission that military confrontation is no longer acceptable. This would require a substantial reorientation for the United States, less so for some European countries and the Soviet Union. But the French and Germans managed this after the last world war, and it is the necessary precondition if we want to move toward escaping the threat of annihilation.

JACK STEINBERGER.
Geneva.

An Interesting Partnership

An item entitled "American Cleared of Spying in Britain" *(World Briefs, July 8)*, informs us that the accused American worked in Britain "as a negotiator of commercial contracts between South Africa and the Soviet Union." Readers might be interested to learn whether trade between the two countries is significant. And, if so, does the Soviet Union plan trade sanctions?

Mrs. BILLY E. KOENIG.
Geneva.

America's Myth of Equality

Michael Barone's column "A New Metaphor of America Replaces the Pioneer Farmer" *(Meanwhile, July 7)* is nothing more than an articulate recitation of the pervasive myth that America is a land of equal opportunity for one and all. Mr. Barone contends that "those willing and able to work hard and hustle can within a few years live in houses with swimming pools in the San Fernando Valley." Belief in such a statement provides a convenient means by which middle-class Americans can dismiss the vast poverty that surrounds them. Is Mr. Barone suggesting that none of the 30 million people below the poverty line work hard?

The U.S. economy — like all capitalist economies — is predicated on the division of society into classes. In such societies, members of the lower classes begin life with societally structured disadvantages. And although selected members of these classes do manage to surmount the barriers they confront, there simply is not enough space in the middle and upper classes to permit all hardworking (Mr. Barone's term) people in the United States to succeed — to "live in houses with pools in the San Fernando Valley."

DANIEL LEE KLEINMAN.
Madison, Wisconsin.

Syria's 'Firefighters'

The editorial "A Positive Step for Syria" *(July 11)* is appalling. It is a pity that you consider the resistance of the Christians against the Syrian *anschluss* and their determination to keep Lebanon independent as merely a fight to preserve a "political predominance."

Lebanese, especially Christian Lebanese, do not have to feel grateful to Syria for coming in disguised as a firefighter after having coldbloodedly set the country ablaze. Nor do they have to praise what you say might be a Syrian move against the Iranian-backed Islamic fundamentalists — who were infiltrated into Lebanon by Syria to destabilize the government in 1983 and 1984.

Western nations should be careful not to send a green light for further domination of Lebanon to Syria, a nation that so skillfully has sponsored terrorism that it now is portrayed as the only possible savior of the Western hostages.

EDDIE GEORGE.
Neuilly-sur-Seine, France.

One Race on Earth

Regarding the opinion column "The West's Celebration of Infertility Could Be Costly" (July 12) by Allan Carlson:

If industrial nations in their declining fertility find themselves unable to "maintain their industrial bases," perhaps they will be motivated to reopen their immigration gates to supplement their populations. This might one day result in a more "geopolitical" equality in the distribution of peoples; perhaps over the centuries the world will have so integrated itself that there will be but one race on Earth. That race will not likely resemble those concerned with "Western infertility," and that is the "threat" that they fear.

JANE GREY.
Paris.

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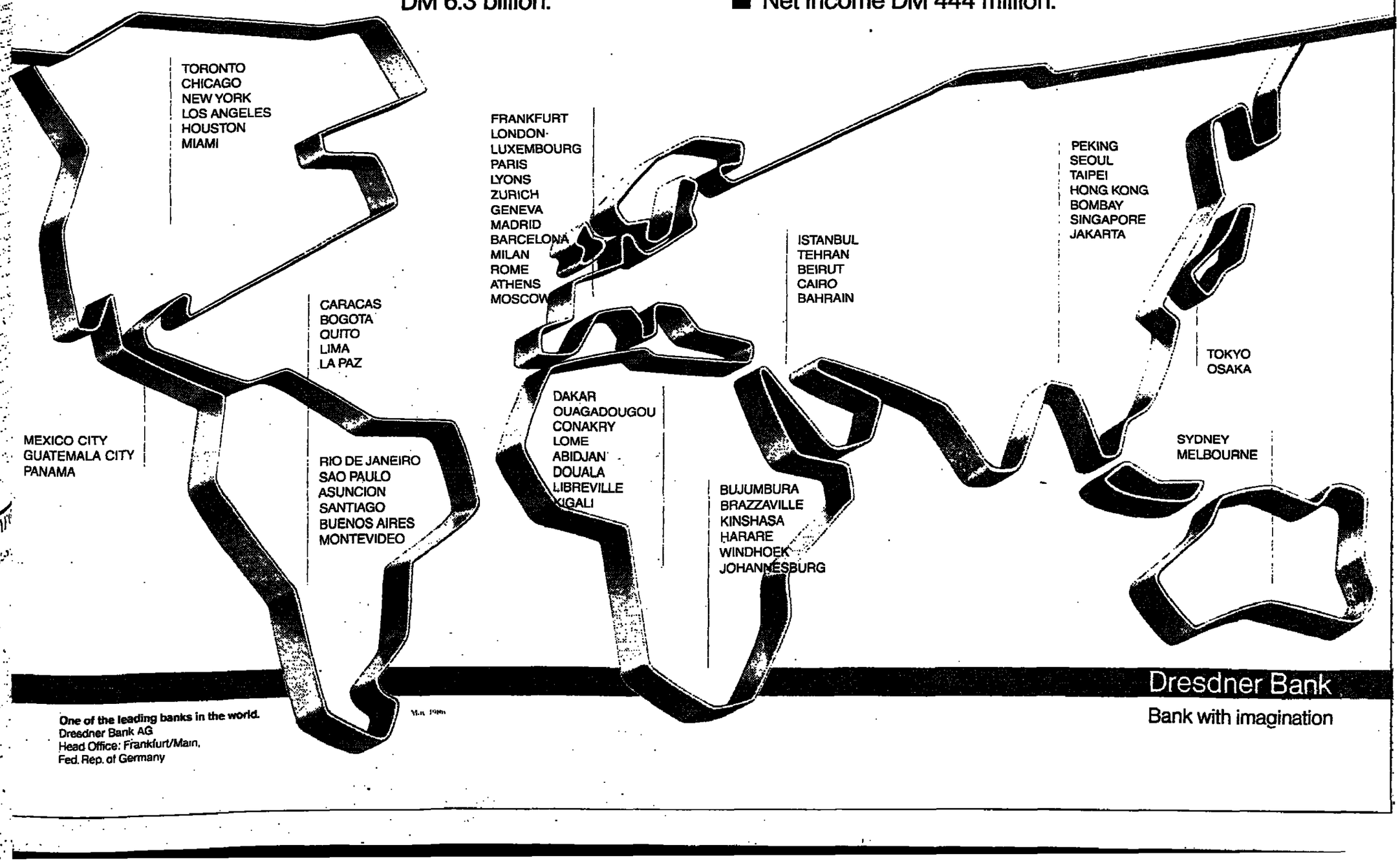

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Despite Poverty and Sickness, There Can Be Advantages to Growing Up African

By Blaine Harden
Washington Post Service

NAIROBI — "If I had a choice, I would raise my children in Africa," said Mona Reinhardt-Moore, a Washington woman and official of the Salvation Army who lived for five years in rural Liberia and travels here several times a year.

"Back in Washington, children run the family. But in African society, the child serves the family," said Ms. Reinhardt-Moore, a specialist in Third World health education.

"African mothers love and care for their children, but not in the same doting way as in our society. The children turn out better for it."

Despite the poverty, hunger and sickness of childhood in much of this continent, there are distinct advantages both for children and their parents in growing up African.

African infants develop physically at a faster rate than infants in developed countries like the United States, according to pediatric studies in several African countries.

Many African babies spend the first months of their lives in constant contact with their mother, either in her arms or, more often, strapped in a sheet to her back.

Researchers have found that this physical contact helps develop superior muscle tone and coordination in African infants, compared to those in Europe or the United States. The contact, pediatricians say, also soothes the babies and keeps them from fussing.

"The gross motor skills of African babies are precocious compared to First World kids," said Dr. Elizabeth Hillman, a Canadian pediatrician who has worked since 1980 in Uganda. "African children also learn toilet training, to sit up and to walk faster than in the First World."

Cole Dodge, the United Nations Children's Fund representative in Uganda, said he finds an extraordinary sense of calm in many African children.

"There is a contentment and security that you often do not find in other cultures, including the United States, where kids are less secure," said Mr. Dodge, who, with his wife, Marilyn, has raised three children while living and working in the United States, India, Bangladesh, Nigeria, Ethiopia, Kenya and Uganda.

"Part of it is time. In other societies, less time is spent between mother and infant," Mr. Dodge said.

Another aspect of child development, according to Dr. Rafal Owor, dean of the medical school at Kampala's Makerere University, is that African children are almost never alone, even when their mother is away from them.

"In my home village in Uganda, children have company any time they want it. Grandmother, uncles, cousins, neighbors. They can play all they want. When a child doesn't come home for a meal, you can safely assume a relative or a neighbor is feeding him," said Dr. Owor.

Mr. Dodge said that in Uganda, through more than 15 years of widespread violence during which an estimated 500,000 people, most of them civilians, were killed, orphaned children rarely needed assistance outside their home villages.

He said, "You basically do not have a problem with orphans in Africa [illegible] the extended family, the uncle, the aunt, the sister, are always willing, ready and wholeheartedly open to taking in the children. They belong to them."

When they are no longer infants, most rural African children are pushed into duties that are essential to family survival.

In the Ethiopian highlands, children of 4 or 5 spend entire days on their own, herding cattle. Throughout Africa, 3-year-olds are put in temporary charge of infant siblings while their mothers go to the market.

Dr. Paul Sebuliba, a Ugandan pediatrician now working in Zimbabwe, said new techniques in health education [illegible] taking advantage of the maternity [illegible] young African children.

Seven-year-olds are being taught how to mix and give oral rehydration therapy to their younger siblings. This therapy is an effective cure for diarrhea.

When African children [illegible], said Beatrice Mutua, a Kenyan who teaches nutrition and family planning in rural Kenya, they have been taught to feel responsible for their parents' welfare.

Echoing the words of several young Kenyan adults, Ms. Mutua said that she failed to send some of her preschool home to her parents, the worst disgrace her family.

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CHILDREN: *Under Apartheid, Even the Diseases Are Racially Segregated*

(Continued from Page 1)

best-equipped hospital for blacks in all of Africa.

But in the 10 rural homelands, conditions are often dismal. While the doctor-patient ratio for whites is 1-to-600, in the homelands the average is one doctor for 40,000 blacks, according to University of Cape Town researchers. In some of the homelands, according to Dr. Hansen, the proportion of malnourished children exceeds 60 to 70 percent.

If apartheid touches every facet of South African life, it also touches death.

Whites die of the diseases of Western affluence, with high rates of heart disease and circulatory ailments.

The largest killers of blacks are infectious and parasitic diseases, including tuberculosis, typhoid fever, cholera and measles. These diseases are virtually unknown among whites.

South Africa's poverty stands out in part because it exists alongside great wealth. Twenty percent of the population controls 75 percent of the country's wealth, according to Francis Wilson, a University of Cape Town economist who chaired a recent Carnegie Foundation inquiry into poverty here.

When the Carnegie study issued its nearly 300 reports in 1984, President Pieter W. Botha of South Africa reacted by criticizing the academics for focusing on this white-ruled nation at a time when famine was acute in many black-ruled nations to the north. The government virtually ignored the study's findings and recommendations.

Mr. Wilson said that although it did not approach the deadly levels of Ethiopia or Sudan, South African poverty also stood out because "so much of it is a consequence of deliberate government policies."

"The biggest mistake one can make is to blame the drought for all the malnutrition," said Ina Perlman, executive director of Operation Hunger, a volunteer relief agency that is still feeding nearly a million persons despite the fact that for most of South Africa, the drought is over.

"It really dates back to the land acts early in the century," Ms. Perlman said. "They took the land away from these people and forced them into confined areas with poor soil and water. That's what made them poor and vulnerable, and the policy of restricting people to the homelands keeps them that way. The drought was just the cherry on top."

She said that while most of Africa is seeking ways to increase food production by peasants, South Africa has been systematically dismantling its peasant farms. While researchers estimate that at the turn of the century at least 80 percent of rural dwellers were subsistence farmers, Ms. Perlman estimates the figure is now down to 8 percent.

> **'They took the land away from these people and forced them into confined areas with poor soil and water. That's what made them poor and vulnerable.'**
> *— Ina Perlman, Relief worker*

Those who left the land became seasonal laborers on South Africa's white-owned commercial farms. But the combination of five years of drought and growing mechanization have led to skeletal labor crews. In the corn industry alone, 250,000 workers were laid off, Ms. Perlman's group estimates.

The availability of seasonal labor, which is the major source of income for those remaining in the homelands, has shrunk to a low of 25 percent of the 1982 figure, she says.

The ideologues of apartheid who designed the homelands system contended that the various black states would become magnets for "separate development" in agriculture and industry. But Ms. Perlman cites experts who estimate that 70 percent of the supposedly arable land in the homelands is located in areas that the rest of Africa would consider marginal wasteland.

As a result, at least nine million rural blacks live below the poverty line, and 1.4 million of them have no measurable income at all. Instead of attracting economic growth, the homelands have become human reservoirs of poverty.

In Lebowa, for example, Machupe Mphahlele, secretary for health, estimates that nearly 50 percent of the homeland's 600,000 schoolchildren suffer from malnutrition.

Lebowa has its own separate administration although it has refused to accept "independence." But Jane Furse Hospital lacks many of the basic rural health programs available in some of Africa's black-ruled states, including Zimbabwe.

Individual health cards that record immunizations and the progress of a child's height and weight are not available. There is little or no instruction in oral rehydration therapy, an effective, low-cost method of maintaining adequate fluids and minerals in a sick child to avoid his becoming malnourished.

Birth control pills are free, but health workers here say they are not allowed to volunteer information on the subject because the Lebowa government views family planning with suspicion.

Accordingly, families here are large. Seven live births per mother is the rough average. Benedicte Iuel, a Danish physician who works in the children's ward, said she only admits the worst hunger cases because mothers generally tend to remain here with their children. When they do, said Dr. Iuel, "I worry about the children they are leaving alone at home."

About 30 miles (50 kilometers) from the hospital is the Nogoabe Clinic, where hopes are drying up with the drought, now in its fifth year.

The village's only water pump has been broken since October, and the river bed is all but dry. A group of women who had been tending a modest vegetable garden for food to supplement their children's diet have given up because without water, the garden is dying.

Sylvia Kgoete, the clinic's head nurse, said, "They say they want to do for themselves, but now there is no water."

Ten children have died here from malnutrition in the past three months, and a chart on the office wall records the rise and fall of hunger. The number of cases of kwashiorkor, one of the worst of the diseases of child hunger, dipped from 268 in August to 220 in January. Now, Ms. Kgoete said, it is beginning to rise again.

While black children in South Africa's rural areas are the worst off nutritionally, the diseases they contract there often follow them to the cities. Crossroads, the large shantytown east of Cape Town, has an infant mortality rate of 51 per 1,000, which makes it more than three times safer than the Transkei and Ciskei homelands that feed it a steady stream of at least 1,000 migrants each week.

Conditions mirror the worst of the homelands — poor sanitation, lack of food and overcrowded shacks where infectious diseases spread rapidly. The major difference is that doctors and clinics are more accessible and so sick children are often seen earlier and more often before their infections become fatal.

Graham Bresick is a doctor at the Empilisweni Clinic at Crossroads, a church-founded organization that treats hundreds of children each week. He says: "Malnutrition underlies almost all of the problems that I see. The diseases that healthy children ward off — measles, diarrhea, just plain colds — can do terrible damage to these children."

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DEATH NOTICE

RAYMOND LOEWY
one of the founders of industrial design, died peacefully in his sleep on July 15, 1986.
Born in Paris on November 5, 1893, Loewy opened his first office in New York in 1929 and became a naturalized US citizen in 1937.
Over five decades, Loewy was responsible for product, packaging and corporate identity design for major companies such as Shell, Exxon, Coca Cola and Nabisco. He also designed the interior of the NASA Skylab and contributed to the success of the project during the 1960's.
He is survived by his wife Viola Erickson Loewy and his daughter, Laurette.

SCIENCE

IN BRIEF

Coming Soon: Commercial Morels

LANSING, Michigan (NYT) — For generations, fanciers of morels have had only two ways of satisfying their taste for the gnarled mushrooms with the nutty taste. They could spend hours tramping through the woods or pay high prices at specialty markets. Morels grow only in the wild in certain areas and only at certain times of the year. Attempts at commercial cultivation have been unsuccessful.

Recently, two scientists from Michigan State University displayed trays of laboratory-grown morels and said they were about two years away from licensing commercial mushroom growers to begin large-scale output. "For 200 years, people tried and failed at commercial production of morels," said James L. Herbert Jr., president of the Neogen Corp. here, which sponsored the scientists' work. "It was the biological equivalent of turning lead into gold." Gary Mills and James Malachowski said their morels were the product of about three years of refining the findings of a third man, Ronald Ower — the first to grow a morel in captivity.

Clandestine Sex Found in Parasite

LONDON, (Reuters) — Scientists have found evidence that the parasite causing sleeping sickness can reproduce sexually, contradicting a conventional view that it multiplies by simply dividing in two, according to Nature magazine.

The science weekly said the discovery was important because the exchange of genetic material accompanying sex could account for the reappearance of different parasite types during human epidemics of sleeping sickness. British and Swiss scientists reported the evidence comes from an experiment with tsetse flies, in which trypanosomes live and travel between humans. The flies were fed on two strains of parasite. Analysis of the trypanosomes in the blood of mice that had been bitten by the flies showed evidence of genetic exchange — suggesting clandestine sex on the part of the parasites while in the flies," Nature said.

Lobster Claws Baffle Biologists

WASHINGTON (WP) — Check the next lobster you eat. One claw will be slender and lightly built, while the other will be massive with "teeth" along the edges. Now check some other lobsters. Odds are that there will be no consistency as to whether the massive, "crusher" claw is on the left or right.

To two University of Toronto biologists, C.K. Govind and Joanne Pearce, this posed a mystery. They knew that juvenile lobsters have identical claws, both of the slender, or "cutter," variety. They knew that when lobsters mature, either the left or the right claw develops into the crusher. The choice seemed to be random. Experiments showed that one factor is exercise. Lobsters raised in bare tanks with nothing to grab never developed a crusher. If there was even one pebble in the tank, however, an animal had something to pick up, and one claw became a crusher. The findings were published in Science magazine.

Mars Is Closest to Earth in 15 Years

WASHINGTON (WP) — If the telescope you got for Halley's comet is gathering dust, now's the time to try it out again. For the next week or so, Mars will be closer to the Earth than it has been in 15 years and a prime target for observation. Mars, now about 37.5 million miles away (60 million kilometers), should be the third brightest object in the night sky after the moon and Venus. It can be sighted low in the southern sky near the constellation Sagittarius.

Sex Life Among the Dome Spiders

NEW YORK (NYT) — A scientist has discovered some curious twists in the battle of the sexes among Sierra dome spiders, a species common in the mountains of western North America. The females build dome-shaped webs, which they use to catch bugs. The males are nomadic, using to fight other males for the right to guard a female, mate with her and take food from her web. Normally, every female has a series of mates.

But when males are scarce, some females are denied mating opportunities well into maturity. In experiments in the laboratory and the field Paul Watson, a biologist at Cornell University, showed that such deprived females begin incorporating a chemical sex attractant, or pheromone, into the threads of their webs. "It is the last resort of a 10-month-old female who has only a month in her one-year life to breed," Mr. Watson said.

New Math Discoveries Help to Penetrate the Secrets of Knots

By James Gleick
New York Times Service

A SERIES of surprising discoveries is helping the practitioners of one of the purest forms of mathematics, the theory of knots, to attack a fundamental problem of their discipline: how to distinguish one knot from another.

At the same time, the advances are providing a new kind of tool for scientists studying twisting, looping stringlike structures in chemistry and molecular biology. Among other things, the mathematical understanding of knots seems to hold direct promise for scientists deciphering the way strands of molecules organize themselves into the complex structures of DNA.

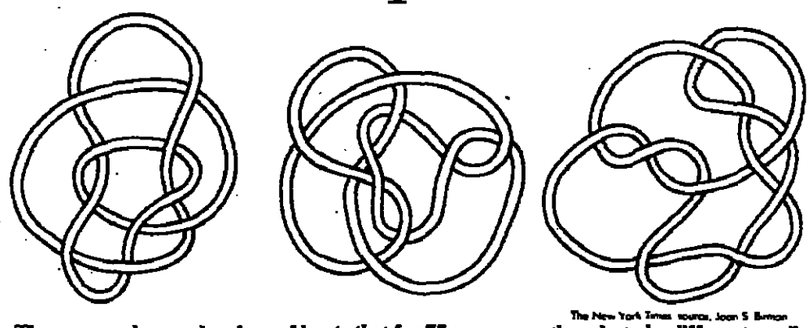
A theorist's knot is a formalized, standardized, idealized version of the everyday object — a closed loop of one-dimensional string that winds through three-dimensional space. It is one of the quintessential shapes that nature can take in the mind of a mathematician. Problems of naming, classifying and understanding knots have proved extremely hard.

Pictures of DNA clearly show knots, with turns and crossings made visible by a new process of coating the molecules to prepare them for the electron microscope. The mathematical discoveries seem to provide a key to the way one structure changes to another in life's basic processes of replication and recombination.

"This is a very unusual joining of mathematics and biology," said Kiyoshi Mizuuchi of the National Institutes of Health. "You can gain very strong information about enzymes that is otherwise impossible to gain."

Above all, chemists and molecular biologists are realizing that important features can be understood by adopting the knot theorist's view of reality. Where Euclidean geometry thinks of structures as rigid, a knot theorist thinks in terms of complete flexibility. That is the essence of topology, the "rubber-sheet geometry" of which knot theory is one branch. Distances and measurements are irrelevant. If a certain knot can be bent, twisted, stretched, squeezed or otherwise deformed into another knot — without being cut or untied — then the two are equivalent.

The most basic topological principles can be difficult to prove. For example, deciding whether two knots, drawn on paper or modeled in string, are the same or different turns out to be a puzzle. The outline of the problem is familiar to anyone who has ever untied a package or unknotted a skein of yarn, but its essence has occupied mathematicians for nearly a century and now seems closer than ever to the heart of modern geometry.



The New York Times source, Joan S. Birman

These examples are drawings of knots that for 75 years were thought to be different, until the recent discovery that the drawings at left and center were actually of the same knot.

WHERE a sailor classifies knots in terms of physical characteristics, a mathematician needs a well-defined way of listing patterns of loops and crossings. As knots get more complicated, the complexities multiply. The simplest possible knot, known as the trefoil, is drawn with just three crossings. It is unique, save for its mirror image. Similarly, there is just one knot with four crossings, and just two with five. But 165 distinct knots have 10 crossings, and the total through 13 crossings — the highest number for which a complete catalog now exists — is 12,965 knots.

Since the first great catalogings of knots in the 19th-century by the Scottish physicist Peter Guthrie Tait and the American mathematician C.N. Little, mathematicians have tried searching for "invariants," or fundamental properties that tell one knot from another. The perfect invariant would distinguish any pair of knots. Short of perfection, some invariants do better than others.

The newest breakthrough in knot theory has been the discovery of invariants of a particularly powerful kind, capable of distinguishing knots where other invariants failed. Several groups of mathematicians independently worked out sets of rules that would let them take any knot and systematically turn it into an algebraic expression known as a polynomial, a combination of numbers and variables.

The polynomial serves as a kind of label for the knot. Unlike the knots themselves, the polynomials can be told apart just by looking. And if the polynomials for two knots are different, then the knots are different; unfortunately, if they are the same, the knots may or may not be the same.

As in all topological problems, the particular size or shape of a loop is irrelevant. All that matter are the direction of the crossings, over or under, and their arrangement in relation to other crossings.

The first polynomial invariant, and until recently the only one, was discovered in the 1920s. It distinguished many knots, but mathematicians could not predict when it would work and when it would not.

In 1984, Vaughan F. R. Jones of the University of California at Berkeley — an expert not in knot theory but in algebra — discovered a new polynomial invariant, and since then other mathematicians have taken his discovery further.

"It's a very exciting, astonishing development," said Joan S. Birman, a Barnard mathematician who is an authority on knots and their near-relations, braids. "It's important for knot theory and it's important in a bigger sense because it's a bridge between two very different areas of mathematics, where people never imagined there was a connection."

Three hundred mathematicians from a variety of fields — and some molecular biologists as well — are discussing the new developments at a conference this week in Santa Cruz, California.

"It's opened up a whole vista on a part of mathematics that wasn't even guessed at before," said David Yetter of Clark University in Worcester, Massachusetts. He and five other mathematicians discovered another new polynomial informally known as the Homfly, from the initials of their surnames. "It's symptomatic of something that's happening now to mathematics as a whole — fields being discovered to be interrelated when everybody thought they had been developing separately," Dr. Yetter said. "They're all starting to constellate and become part of some whole."

As powerful as the new techniques are, they are also tantalizingly enigmatic: So far, knot theorists cannot quite explain why they work as well as they do. Somehow, the process of turning a physical structure into an abstract algebraic expression must capture some essence of the knot, but no one knows exactly what. In a sense, the mathematicians understand the algebra behind the new discoveries, but not the geometry.

WITHOUT the new invariants it was possible to classify all knots up to 13 crossings, a task completed in 1982, but the process was arduous and error-prone. Even proving the trefoil to be different from the unknot was hard, and using earlier methods to distinguish two difficult knots could require enormous computation. In theory, it might require millions of hours of computing time. The new polynomials are much faster.

"They're simultaneously extremely important and infuriatingly simple," said Jonathan Simon, a University of Iowa mathematician. "People should have seen these earlier — 'people' meaning all knot theorists for the last 20 years."

Dr. Simon is one of several mathematicians who have gone beyond the usual boundaries of their customarily abstract discipline to begin exploring the implications for chemistry.

Chemists have known for years that molecules can take the form of knots, and other structures as well: linked rings, or "catenanes," for example.

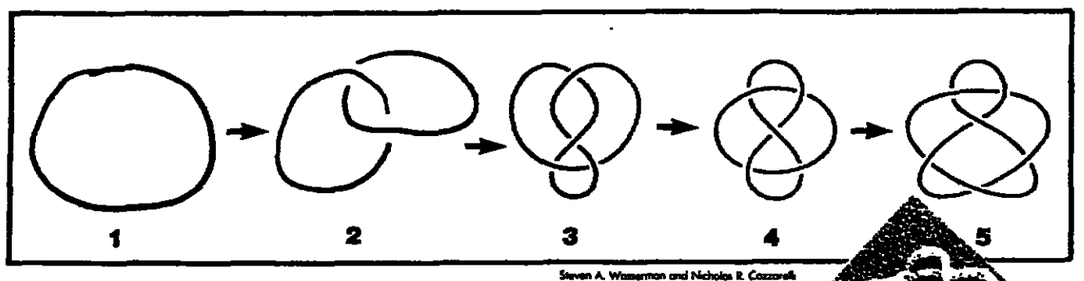
"Now chemists have begun making molecules where the difference in how they sit in space is due to topology, not rigid geometry," Dr. Simon said. "Topology is chockfull of beautiful pictures and neat ideas, and there's some fascination with just the ideas and pictures, but here also is real substance."

OTHER chemists and biologists are studying the peculiar waves that propagate through certain chemical reactions or arrays of muscle cells. In such "excitable media," a stimulus produces a reaction that spreads from place to place like a wave rippling outward in a pond. The sheet of nerve cells in the retina is one example, and the heart muscle is another. In three dimensions, such waves can take fantastic shapes, and the cores of these shapes can form threadlike filaments.

In molecular biology, the most famous three-dimensional structure is DNA, with its supercoiled double helix joining two strands and compressing their genetic information into a manageable region of space. The supercoiling — coiling of coils — stores energy that cells can use, like the energy in a twisted rubber band.

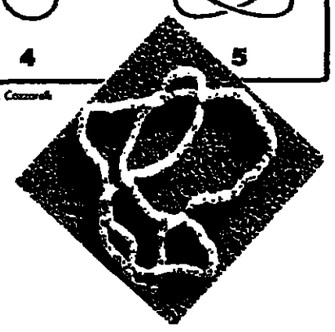
Knot theory now enables biologists to look at beginning and ending stages of an enzyme reaction and deduce what the middle stages must have been. It also lets them predict the possible ways in which enzymes temporarily break strands to allow unknotting. The new Jones polynomial, in particular, seems to provide a way of quantifying such processes.

For most mathematicians, the chemical and biological applications remain a side issue — nice to know, but not especially surprising. The future of knot theory, as they see it, will be what the past has been, the study of a special kind of intricacy for its own sake.



Steven A. Wasserman and Nicholas R. Cozzarelli

Knot theory allowed molecular biologists at the University of California at Berkeley to make sense out of an assortment of DNA strands. When they saw that four types of molecules matched a sequence of knots and links, the "pathway" stood out. The biologists predicted that a specific six-crossing knot, fifth in the mathematical sequence, must be the next step. They then were able to develop a technique to make the three-dimensional structure visible and they found the strand that they had predicted.



Syrians Aid Beirut Search For Gunmen

Reuters

BEIRUT — Syrian and Lebanese troops searched in West Beirut streets Wednesday for gunmen behind incidents disrupting a campaign to end anarchy by militia gunmen in the Moslem sector.

"Heavy patrols are searching for the gunmen," a security official said as Syrian commandos and plainclothes security men set up checkpoints to check vehicles.

One man was killed and seven wounded Tuesday night in the first outbreak of violent incidents in West Beirut since joint Syrian and Lebanese patrols opened a drive against lawlessness 12 days ago.

Two rocket-propelled grenades exploded near the Beau Rivage Hotel, headquarters of the Syrian security force. No casualties were reported and the hotel was not hit, officials said.

A gunfight broke out in the Ramlet al-Baida seafront area close to the hotel. The sources described the incident as a personal dispute in which one man was killed and two were wounded.

Three members of the pro-Iranian Hezbollah were wounded overnight in a clash with Lebanese soldiers manning a checkpoint at the southern edge of the city.

A Lebanese officer and a soldier were wounded in the exchange of machine-gun fire at the checkpoint on the highway to the international airport about five miles (eight kilometers) further south.

The road runs through mainly Moslem Shiite suburbs widely known as a Hezbollah stronghold.

The independent An Nahar newspaper said Syrian and Lebanese patrols were expected to move into the crowded southern suburbs over the weekend.

A Lebanese security source said the clashes "will not affect the determination to carry on with the plan."

Reuters

Syrian soldiers joined Lebanese troops Wednesday in a search for gunmen in Beirut.

■ Saudi Abducted, Then Freed

A Saudi Arabian cultural center employee was abducted in West Beirut on Wednesday and released unharmed three hours later, United Press International reported from the Lebanese capital, quoting a police spokesman.

It was the first such incident since Syrian troops deployed in the Moslem half of the capital.

■ Paris Steps Up Effort

Efforts to free French hostages in Lebanon intensified Wednesday as President François Mitterrand and Prime Minister Jacques Chirac held separate talks with Vice President Abdel Halim Khaddam of Syria, United Press International reported from Paris.

The discussions were the highest contact between France and Syria since Mr. Mitterrand and President Hafez al-Assad met in Damascus in 1984. Mr. Assad promised then to do his best to free the hostages.

Hussein Acts to Improve Image in Foreign Press

By William Claiborne
Washington Post Service

AMMAN, Jordan — King Hussein has signaled an end to a four-month campaign of severe press restrictions.

In an unusual move, the king's aides requested the U.S. Embassy here to send a telex to the U.S. Embassy in Tel Aviv on Sunday to urge nine Israel-based foreign reporters to travel to Amman by way of the Allenby Bridge the next morning, even if they did not have Jordanian visas.

The reporters were informed they could return to Israel by the same route, a practice that Jordan has long prohibited.

The invitations came against a backdrop of increasing behind-the-scenes cooperation between Jordan and Israel. The cooperation is aimed at fostering an alternative leadership in the occupied West Bank among moderates not affiliated with Yasser Arafat's el-Fatah wing of the Palestine Liberation Organization.

El-Fatah's offices in Jordan were closed last week on Hussein's orders, reflecting the collapse of a Middle East peace initiative by the king and Mr. Arafat.

In a two-hour talk Tuesday with 19 Middle East correspondents, King Hussein made clear his hope for a dialogue with representative leaders of West Bank Palestinians.

He expressed dismay at what he saw as growing political extremism in Israel and said Jordan was concerned about a possible mass influx from the Israeli-occupied territories if living conditions there were not improved.

He said he had closed the offices of el-Fatah because an "unholy alliance" had developed between the Communists, "a faction of the PLO which existed in Jordan" — a clear allusion to el-Fatah — and "the fundamentalist Moslems" — meaning the militant Moslem Brotherhood.

He charged that this "unholy alliance" was behind rioting at Yarmouk University in May and alleged attempts in Irbid last spring to influence a special parliamentary election.

But the main purpose of the luncheon with correspondents, Hussein's aides said, was to smooth over animosities that developed in the last four months and to polish Jordan's image as a progressive, pro-Western country.

In this period, a number of foreign journalists, including some in Israel, had been informed indirectly that they had been blacklisted for various articles and would not be welcome in Jordan.

Several correspondents had been detained briefly while reporting on the Yarmouk demonstrations and on the charges of voting irregularities in Irbid.

AP

King Hussein

Some local journalists, mainly Palestinians, were barred from writing for local or foreign newspapers. The security police confiscated the passport of one after she had written articles deemed objectionable.

Government sources said that when Hussein returned recently from a trip abroad and learned of the crackdown on the press, he immediately ordered a relaxation and scheduled a news conference for last Saturday and the luncheon three days later.

Hussein, who was joined by his American-born wife, Queen Noor, led a relaxed, wide-ranging conversation with the visiting journalists.

He fretted about growing extremism in Israel and a lack of progress toward Middle East peace. And he expressed hope for a dialogue with a leadership truly representative of the 850,000 people in the West Bank.

Referring to concern that West Bank Arabs might feel compelled to migrate to Jordan, creating internal problems, the king said:

"Will there be a serious attempt to expel these people? This is what concerns me the most. If they lose hope, if they are pushed out, we will have our real problem here. National security is at stake."

U.S. Probing Book on Jews Laid to Syria

New York Times Service

NEW YORK — Secretary of State George P. Shultz has instructed the United States Embassy in Syria to look into the authorship of a virulently anti-Jewish book that is said to have been written by Major General Mustafa Tlas, Syria's defense minister.

Officials said the book, written in Arabic and apparently circulating throughout the Middle East, was brought to the attention of the State Department last month by the Simon Wiesenthal Center in Los Angeles.

The book, "The Matzoh of Zion," is a retelling of a tale according to which Jews living in Damascus in 1840 killed two Christians and used their blood to make matzoh, the unleavened bread used at Passover celebrations.

"And this was not the first crime of its kind," the book says. "The West has known many like it. So did czarist Russia."

The accusation of ritual murder associated with the preparation of matzoh was common in Eastern Europe in the Middle Ages.

The Syrian Embassy in Washington has denied knowledge of the book. "Syria is against Zionism, not Judaism," an embassy spokesman said.

The dean of the Simon Wiesenthal Center, Rabbi Marvin Hier, said the group had incontrovertible evidence that the book was written by General Tlas and that it was being distributed throughout the Arab world.

The rabbi sent copies to the foreign ministers of all major Western countries, asking them to inform their ambassadors in Syria about the matter and to register official complaint. Only Mr. Shultz has responded.

The 199-page book includes an introduction apparently signed by General Tlas and dated April 1983. The book was published in 1985, Rabbi Hier said.

Provide Organ Transplants for All Who Need Them, U.S. Panel Suggests

By Robert Pear
New York Times Service

WASHINGTON — A federal advisory committee has recommended to the Reagan administration that all people who need organ transplants should receive them regardless of their ability to pay."

The panel concluded 18 months of work by calling Tuesday for the United States to "end wealth discrimination in heart and liver transplantation" and to set up a national network to arrange for transplants.

The panel said some patients who met "medical eligibility criteria" were being denied access to heart and liver transplants "because of inability to pay."

The 25-member panel said private and public health programs, including the federal and state Medicare and Medicaid plans, should cover the surgical costs of such transplants, as well as the expensive drug therapy needed to prevent the body from rejecting the organs. The drug therapy usually extends over many years, often for the rest of the patient's life.

A member of the panel, Roger W. Evans, a medical sociologist at the Battelle Human Affairs Research Centers in Seattle, estimated the average first-year cost of a kidney transplant at $35,000. For a heart transplant, he said, the cost is $95,000, and for a liver transplant, $130,000. These figures include drug therapy, which may cost $5,000 a year, he said.

The Federal Task Force on Organ Transplantation also recommended that a public program be established to finance transplants for people who cannot afford them and who are not covered by Medicare, Medicaid or private insurance. Medicare provides federal health benefits for the elderly, and Medicaid is a program for the poor.

Medicare already pays for more than 90 percent of all kidney transplants in this country, but it does not pay for drug therapy for the recipients.

The recommendations appear to represent the consensus of medical experts. The panel included nine physicians, several coordinators of regional agencies that arrange organ transplants and a specialist in theology and ethics.

Senator Albert Gore Jr., Democrat of Tennessee, said he would introduce a bill to carry out the recommendations, especially one that would require local organ-procurement agencies to meet federal standards and to be certified by the federal government.

There are 110 such agencies. Mr. Gore said his legislation would "force them to work together in a coordinated national network," thus making "more organs available to the patients who most need them."

The chairman of the study group, Dr. Olga Jonasson, chief of surgery at Cook County Hospital in Chicago, said there was an urgent need for the administration to set up the national network envisioned in the 1984 law.

"If we had a national list of patients and an efficient means of getting organs to those patients on objective medical criteria," she said, "we would go a very long way in assuring fair and equitable access to transplantation."

Mr. Gore, a sponsor of the 1984 law, said the administration appeared to have "an ideological aversion to giving the government any new kind of role even where the need is so clearly documented."

Mr. Gore said President Ronald Reagan had made public pleas for organs needed by dying individuals but had not taken the steps required to set up a system that could routinely match potential donors and recipients.

Charles T. Kline Jr., a spokesman for the Department of Health and Human Services, said most of the panel's recommendations were addressed to private industry, doctors and hospitals and "do not require a response" by the federal government.

BOONESBURY

Israel Said to Restrict U.S. Palestinians

The Associated Press

TEL AVIV — The United States Embassy has complained to Israel of discrimination against U.S. citizens of Palestinian origin, according to an embassy official.

Americans of Palestinian origin are forced to wait long hours at the airport after arrival and are sometimes refused entry or have their passports confiscated until departure, said an official who spoke Tuesday on condition of anonymity. Americans of Palestinian origin come to Israel to visit relatives in the occupied West Bank and Gaza Strip.

An Israeli Foreign Ministry spokesman denied that Palestinians were singled out at the airport. He noted that U.S. passport holders do not have to apply for visas before visiting Israel. The issue is to be discussed by the embassy and the Foreign Ministry.

Wednesday's NYSE Closing

Via The Associated Press

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
NYSEG	60381	35⅞	35	35¼	—¼
IBM	30645	136⅛	132¾	133	—2¾
SCalEd	18763	33¼	31¾	32½	—¾
Bkrlntl	18309	11¼	10	10¼	—1
TexUtil	17003	32½	31½	32¾	—¼
PanhEC	15706	46¼	41¾	42	—2½
NL Ind	15111	15¾	15	15	—⅛
USWst s	14816	54⅞	54¼	54⅞	+⅜
AT&T	14773	24⅝	24	24¼	
BnkAm	14267	14½	13⅞	14⅛	—⅛
AsdDG s	13530	62⅝	57⅛	58¾	—3¼
PacGE	12381	25⅞	24⅞	25⅞	+¾
Citicrp	11869	56	54⅜	54¾	—1¼
CocaCl s	11678	41¾	40½	41½	+1⅛
HewlPk	11659	36⅝	35⅝	36⅝	+⅜

Market Sales

NYSE 3 p.m. volume	136,390,000
NYSE prev. cons. close	214,831,290
Amex 3 p.m. volume	8,180,000
Amex prev. cons. close	11,370,000
Prev. OTC 4 p.m. volume	132,714,900

NYSE Index

	Previous High	Previous Low	Previous Close	Today 3 P.M.
Composite	137.19	134.91	134.91	135.44
Industrials	156.38	153.42	153.42	154.08
Transp.	112.86	110.18	110.18	110.04
Utilities	74.04	73.53	73.53	73.71
Finance	149.64	147.38	147.38	148.16

NYSE Diary

	Close	Prev.
Advanced	924	430
Declined	481	1265
Unchanged	389	313
Total Issues	1994	2008
New Highs	53	55
New Lows	42	75

Dow Jones Bond Averages

	Prev. Close	Today Noon
Bonds	91.17	91.19
Utilities	91.63	91.68
Industrials	90.71	90.70

Odd-Lot Trading in N.Y.

	Buy	Sales	*Sh'rt
July 15	426,891	623,434	25,123
July 14	278,475	524,495	3,038
July 11	256,984	424,579	44,470
July 10	251,396	575,669	143,014
July 9	261,710	568,095	98,526

*Included in the sales figures

Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	1776.86	1794.29	1759.70	1774.18	+ 5.48
Trans	727.88	735.38	718.00	722.63	+ 1.88
Util	199.44	204.49	197.68	200.92	+ 0.11
Comp	687.31	695.90	680.06	686.50	+ 1.74

AMEX Diary

	Close	Prev.
Advanced	318	145
Declined	274	468
Unchanged	233	214
Total Issues	825	827
New Highs	4	6
New Lows	24	26

Standard & Poor's Index

	High	Previous Low	Close	Today 3 P.M.
Industrials	263.41	258.08	258.19	259.21
Transp.	189.96	184.06	184.08	184.21
Utilities	112.02	110.63	110.70	110.99
Finance	28.50	27.92	27.92	28.05
Composite	238.12	233.60	233.66	234.54

NASDAQ Index

	Prev Close	Today Noon	Week Ago	Year Ago
Composite	378.70	380.58	400.96	302.04
Industrials	373.46	n.a.	408.95	308.10
Finance	537.89	—	546.56	393.26
Insurance	428.88	—	432.21	363.28
Utilities	341.17	—	362.61	300.53
Banks	438.14	—	450.04	299.61
Transp.	332.54	—	361.42	288.68

Previous NASDAQ Diary

	Close	Prev.
Advanced	582	534
Declined	1,890	1,718
Unchanged	2,055	2,070
Total Issues	4,327	4,322

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
WangB	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Wickes	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Telsci	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Amdahl	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
OzarkH	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Webcor	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TexAir	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
LorTel a	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
NYTimes	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
KeyCo	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Alza s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Hasbro	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
HmHar	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FAusPh	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
BAT	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

AMEX Stock Index

High	Previous Low	Close	Today 3 P.M.
[illegible]	[illegible]	[illegible]	[illegible]

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Stocks Gain in Technical Rally

United Press International

NEW YORK — Prices on the New York Stock Exchange remained a bit higher late Wednesday after losing early, sharper gains. Trading was active.

The Dow Jones industrial average was up 3.80 to 1,772.50 an hour before the close. Earlier the Dow was up more than 15 points.

Advances led declines by a 3-to-2 ratio at 3 P.M. Volume was about 136.4 million shares,

Although most U.S. stock market tables in this edition are from the 4 P.M. close in New York, for time reasons, this article is based on the market at 3 P.M.

down from the 143.9 million shares traded in the like period Tuesday.

Prices were higher in moderate trading of American Stock Exchange issues.

Analysts said that after steep losses early in the week, stock prices were expected to rebound. They minimized the importance of the gains.

"They've stopped dipping us in blood for a day, but we're all very nervous," said Dudley Eppel, managing director in charge of listed trading at Donaldson, Lufkin & Jenrette. "The gains are purely technical and have no significance whatsoever."

Mr. Eppel said that if the market tried to rally early Thursday and failed, the Dow could fall as much as 100 points in coming sessions.

One restraint harnessing the market has been the performance of IBM, which has been sliding since Monday when it said that its earnings fell 7.7 percent in its second quarter from a year earlier.

"IBM has been acting very badly again," said Mr. Eppel. If it breaks below 133, renewed selling could drive it to 125, he said. IBM was down 2¼ to 133½ in late trading.

"It's very hard to rally the market with IBM coming down," Mr. Eppel said.

"Despite Wednesday's small gains, it remains to be seen how solid the ground below 1,780 on the Dow is," said Charles Jensen of MKI Securities.

Analysts said that while blue-chip issues were stabilizing at higher levels, in the broader market, advancing issues were widening their lead over losers.

Underlining the economy's sluggishness, the Commerce Department said Wednesday that sales by U.S. businesses declined 1.8 percent in May, the largest setback in 11 years. The government said that manufacturers and traders slashed inventories by 0.3 percent, the first cut in nine months and the largest since March 1983, when businesses sought to work off unwanted stocks.

Also on Wednesday, the Federal Reserve Board reported that the June operating rate of U.S. factories, utilities and mines was only 78.3 percent of capacity.

New York State Gas & Electric topped the active list, easing as institutional investors traded the stock to gain dividend-related tax advantages.

IBM was pressuring the market with a loss of more than 2 points.

Baker International was lower in active trading.

Among blue chips, General Motors, General Electric and Philip Morris were slightly ahead.

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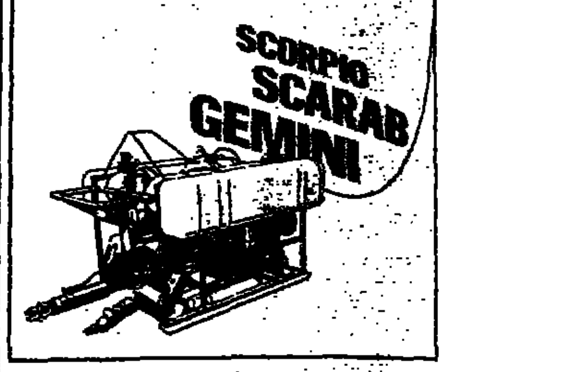

(Continued on next left-hand page)

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Herald INTERNATIONAL Tribune.
BUSINESS/FINANCE

THURSDAY, JULY 17, 1986

U.S. Stocks Report, Page 8

WALL STREET WATCH

The Latest Earnings Shock For IBM's Shareholders

By VARTANIG G. VARTAN

New York Times Service

NEW YORK — International Business Machines Corp., once considered the darling of institutional investors, has lost more of its luster. The latest shock for shareholders was Monday's announcement of a 7.7-percent drop in second-quarter profits by the computer and data-processing giant.

That report ushered in heavy selling by the institutions, with IBM's shares tumbling $3.875. On Tuesday, the stock fell another $3.50, to $135.75, after trading at its lowest point since Nov. 12.

"Monday's selling by all types of institutions in block trades saw a net outflow of nearly $39 million in the stock," said Laszlo Birinyi, equity-market analyst for Salomon Brothers Inc. "Over the last 20 days, IBM's stock experienced total net selling by institutions of approximately $130 million."

The stock's weakness has affected virtually the entire equity market.

The weakness in IBM has affected virtually the entire equity market as worries about the sluggish performance of the U.S. economy now seem uppermost in the minds of many investors. The Dow Jones industrial average plunged 27.98 points Monday and 24.5 points Tuesday to close at 1,768.70.

Despite the sharp price retreat in IBM's stock, some professionals were adding more of its shares to their portfolios.

"I'm buying some IBM today [Tuesday], although I did nothing in the stock on Monday," said Peter Lynch, portfolio manager of the Boston-based Magellan Fund, the largest American equity mutual fund, with net assets of $7.1 billion. "At the end of June, we owned 420,000 shares of IBM and it represents one of our 10 largest holdings.

"I think the stock is fairly valued at these price levels, and if the economy recovers in the United States and abroad in 1987, IBM could be a very nice stock," he added. He said he regards IBM as a cyclical stock with growth characteristics, adding that "lately we have been trying to raise the percentage of cyclical holdings in the fund."

Magellan's biggest holding is Ford Motor Co. — more than 3 percent of its portfolio — followed by Federal National Mortgage Association, Volvo AB, Chrysler Corp. and Kemper Corp.

IBM "remains my favorite stock, and it represents 9 to 10 percent of our holdings in a typical account," said David Dreman, managing director of Dreman & Embry Inc., an investment counseling firm in New York that manages $1.8 billion. "One appeal of IBM is that the stock is selling slightly under 13 times its latest 12-month earnings — or less than the average market multiple of around 14 times earnings."

One institution that lightened up on IBM in the second quarter was Tri-Continental Corp., a large closed-end fund. "We owned 440,000 shares at the end of March, but later sold 140,000 shares at an average price of $148," said Calvert Dooman, the portfolio manager. "At about the same time we built up a position in Digital Equipment and now own 250,000 shares. We believe the company's product cycle and improved financial controls have helped Digital."

Shares of Digital Equipment Corp., a leading maker of data-processing equipment, have doubled in the last year. They closed Tuesday at $850, down $1.50.

Some other major holders of IBM are standing firm. "IBM is our largest investment, and we own close to seven million shares," said Oscar Tivong, a senior vice president and investment manager for the College Retirement Equities Fund. "We have not reduced our position and have no intention of doing so. We still think the long-term future for IBM is bright." CREF manages the

See IBM, Page 13

BofA Loss Nearly Doubles

Record Deficit Shocks Analysts

Compiled by Our Staff From Dispatches

NEW YORK — BankAmerica Corp. said Wednesday that its loss nearly doubled in the second quarter to a record $640 million, as it added $988 million to its reserve for bad loans.

The deficit greatly exceeded even the most pessimistic forecasts of analysts, many of whom had even foreseen a modest profit at BankAmerica, parent of the second-largest U.S. bank. The loss was 89 percent bigger than the previous record loss of $338 million in the second quarter of 1985.

Separately, Bankers Trust New York Corp. said its profit rose by 19 percent in the second quarter from the comparable 1985 period.

BankAmerica, based in San Francisco, wrote off $388 million in bad loans and increased its reserves for future loan losses by $600 million to $2.19 billion. It blamed its problems on the slump in oil prices, the depressed commercial real estate market and the Third World debt crisis.

The figures mean that BankAmerica's loan loss for the year will probably exceed its earlier estimate of $1.2 billion, said its chief financial officer, John Poelker.

The company's modest $63-million profit in the first quarter had raised hopes that the several years of dismal earnings performance had ended and the long haul back to normal profit levels had begun.

But warning signs began flashing again a month ago, though Mr. Poelker admitted that the deterioration was more rapid than anyone had expected.

Net interest revenue slipped slightly to $984 million, while non-interest revenue rose by 17 percent to $540 million.

As of June 30, BankAmerica listed $4.1 billion in nonaccruing and renegotiated loans, up from $3.58 billion a year earlier.

Assets totaled $117 billion as of June 30, down $121 billion a year earlier. Deposits fell slightly to $94 billion from $95 billion last year.

For the first half, BankAmerica said its net loss widened to $577 million from a loss of $224 million a year earlier.

Bankers Trust, the eighth-largest U.S. bank holding company, said its net income was $104.2 million, or $1.45 per share, in the quarter ended June 30. That compared with a profit of $87.2 million, or $1.27 per share, in the 1985 quarter.

Net interest income rose by 18 percent to $275.9 million, while non-interest income grew 18 percent to $189.7 million.

(Reuters, AP)

Swatch Spins Off Into Clothing

New Market Links Its Togs To Timepieces

New York Times Service

NEW YORK — Swatch, a Swiss company, has an unusual approach to clothing young consumers — it is starting with the wrist and going on from there.

Since it introduced three years ago its line of plastic watches in bright colors and avant-garde designs, Swatch has decorated the wrists of millions of consumers.

Swatch used a strategy unusual within the watch industry, trying to persuade 14-to-24-year-old consumers to own more than one watch and selling its wares at a price — now about $30 each — that made multiple purchases easier.

"The ability to stylize watches at a low price and create multiple usage, just like shirts or suits" allowed the industry to grow beyond what had been thought to be its limits, said Robert Pliskin, president of Seiko Time Corp., the U.S. distribution arm of Hattori Seiko Co. of Japan.

Now, Swatch is forging ahead with plans to sell coordinating wardrobes in that same market.

Swatch has introduced lines of clothing and accessories that are matched to the motifs and colors of its watches, which now are available in 140 models. Swatch clothing is offered for sale alongside its watches in many major U.S. department stores.

But by so closely wedding the watches to the clothing and accessories, Swatch, the subsidiary of a consortium of Swiss watch manufacturers, is gambling with its future.

"If the watch sales die out, it would definitely have a negative effect on the apparel," said Larry A. Seltzer, vice president for merchandise of Macy's New York, where Swatch merchandise is sold at five locations in the Herald Square store.

Swatch is well aware that the popularity of its watches could be a fad. The watch's trendiness "will come to maturity," said Max Imgruth, president of Swatch Watch U.S.A. Just last week, Swatch announced that Mr. Imgruth would return to Switzerland and be replaced by Felix A. Schillaci, a Swatch vice president with experience as a marketing manager in the United States and overseas.

The Swatch watches were introduced nationwide in 1983, after a marketing campaign in Texas the year before produced a

See SWATCH, Page 13

Gene Maggio/The New York Times

A variety of products now marketed for Swatch.

Business Sales Plunged 1.8% In May in U.S.

By Martin Crutsinger

The Associated Press

WASHINGTON — Business sales slumped 1.8 percent in May, the biggest decline in 11 years, the government reported Wednesday.

The Commerce Department said that sales amounted to $420.7 billion in May, $7.7 billion below the April sales total. It was the largest one-month decline since a record 2.8-percent drop in March 1975.

With sales slumping, businesses also cut back drastically on inventory building, pushing inventories down by 0.3 percent, the biggest fall since a 0.6-percent drop in March 1983. The drop left inventories at $586.6 billion at the end of May.

In another report released Wednesday, the Federal Reserve Board said that U.S. industry operated at just 78.3 percent of capacity in June, a sharp plunge that was partially accounted for by strikes in the aluminum, lumber and communications industries.

The reserve board said that the operating rate fell in June by 0.6 percentage points and now stands 2.5 percentage points below where it was at the beginning of the year.

At 78.3 percent, the industrial operating rate is now 3.4 percentage points below its average over the past two decades as domestic manufacturers continue to suffer from the country's huge trade deficit.

Manufacturing industries operated at 78.6 percent of capacity in June, down from 79.2 percent the month before. Production of durable goods, items expected to last three or more years, dropped to 75.3 percent in June while production of nondurable goods fell to 83.8 percent of capacity.

The information on sales, inventories and industrial capacity provided further evidence of how sluggish the economy has become.

Reagan administration officials have said that they will have to trim their projections for economic growth this year, although they still contend that a substantial rebound will occur in the last half of 1986.

But private analysts are beginning to express doubts about that after a string of anemic statistics. Many now are forecasting that the economy, which has been mired in a sluggish growth pattern for two years, will show little if any pickup in coming months.

The 1.8-percent decline in business sales was the second in the past three months. Sales had fallen 1.6 percent in March and rose 2 percent in April.

The decline was led by a 5.1-percent drop in sales by wholesalers. Sales by manufacturers were down 1.4 percent, while retailers enjoyed a 0.7-percent sales advance. The government reported Tuesday that retail sales rose in June by only 0.2 percent.

The decline in inventories was led by a 0.8-percent fall in stockpiles held by retailers. Inventories at the manufacturing level were down 0.3 percent, while wholesalers boosted inventories by 0.2 percent.

U.S., IMF, World Bank Agree on $6-Billion Loan to Mexico

By Peter T. Kilborn

New York Times Service

WASHINGTON — The Reagan administration, the International Monetary Fund and the World Bank have settled on general terms of an agreement to give about $6 billion in new loans to Mexico, according to officials involved in the talks.

Completion of an agreement, requiring the support of commercial banks, could come in a week or two. "We are pleased with the progress so far, and all the parties are working in good faith," an administration official said Tuesday.

The terms of the tentative accord mark an important breakthrough in the industrialized world's dealings with debtor nations.

The IMF, the principal agent of such loan arrangements, would de-emphasize the severe economic discipline, often involving wage reductions and tax increases, that it has ordinarily required of debtors in return for new assistance.

Mexico would be charged lower interest rates than it now pays on its $98 billion of foreign debt, and the agreement would also partly insulate Mexico from further erosion of oil prices.

But the accord would require Mexico to commit itself more to the free-market, growth-oriented economic policies promoted by the U.S. Treasury secretary, James A. Baker 3d, making it the first major loan program to do so.

Mexico would close or sell many government-owned companies; encourage foreign investment; discourage the flight of capital abroad; cut governmental spending, and reduce imports barriers, officials said. Mexico is already moving in those directions, they said.

Mexican officials were to meet Wednesday in New York with the other major lenders, the 13-member group of international commercial banks whose participation is needed to complete the agreement.

Those discussions could take several weeks, bankers said.

But a resolution is probable, they added, now that Mexico appears to have settled with the IMF.

Mexico's new finance minister, Gustavo Petricioli, has been in Washington since Friday meeting with the managing director of the IMF, Jacques de Larosière; the new World Bank president, Barber B. Conable Jr., and Mr. Baker.

Under the tentative loan arrangement, commercial banks would lend $2.5 billion for the 12 months of 1986, or $3.5 billion through mid-1987. The IMF would put up $1.5 billion and the World Bank would add $700 million. An informal association of industrial nations, known as the Paris Club, is expected to provide as much as $1 billion, banking sources said.

■ **GATT Members Begin Vote**

The United States hailed Mexico's draft plan for joining the General Agreement on Tariffs and Trade and cast the first vote in favor of Mexico's admission, The Washington Post reported Tuesday.

By the day's end, 15 other countries had voted in Mexico's favor and at least 30 more had indicated they would do so.

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COMMERCIAL & INDUSTRIAL REAL ESTATE

Currency Rates

Cross Rates *July 16*

	$	£	D.M.	F.F.	H.L.	Gldr.	B.F.	S.F.	Yen
Amsterdam	5	3.67	112.76 *	34.905 *	0.1641 *	—	5.461 *	139.24 *	153.00 y
Brussels(a)	10	67.14	20.6378	6.3938	3.0038 *	18.386	—	25.49	28.025 *
Frankfurt	26	3.299	—	30.975 *	1.455 x	88.695 *	4.844 *	123.48 *	1.3675 *
London (b)	14	—	3.2515	10.5113	2,223.00	3.6648	67.225	2.6393	239.675
Milan	1,00	2,236.00	686.95	212.83	—	609.55	33.309	848.20	9.334
New York(c)	—	0.6614 a	2.1465	6.9305	1,474.00	2.419	44.285	1.7415	158.10
Paris	515	10.505	3.2282	—	4.697 x	2.864	15.6465 *	3.987	4.3845 *
Tokyo	1.80	237.95	73.63	22.81	10.74 *	65.33	357.06 *	90.83	—
Zurich	363	2.6237	80.83 *	24.98 *	0.1176 *	71.625 *	3.9094 *	—	1.0979 *
ECU	904	0.655	2.1302	6.8764	1,463.82	2.4012	43.9542	1.7246	156.979
SDR	914	0.78777	2.55974	N.Q.	N.Q.	2.8837	52.7976	2.0728	188.122

Closings in London and Zurich, fixings in other European centers. New York rates at 3 P.M.
(a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (*) Units of 100 (x) Units of 1,000 (y) Units of 10,000 N.Q.: not quoted; N.A.: not available.
(e) To buy one pound: $U.S.1.512

Other Dollar Values

Currency	per U.S.$	Currency	per U.S.$	Currency	per U.S.$	Currency	per U.S.$
Argen. austral	0.86	Fin. markka	5.0875	Mex. peso	618.00	Soviet ruble	0.695
Austral. $	1.60	Greek drac.	138.75	Norw. krone	7.46	Span. peseta	137.55
Austr. schill.	15.23	Hong Kong $	7.815	Phil. peso	20.18	Swed. krona	7.05
Belg. fin. fr.	44.88	Indian rupee	12.05	Port. escudo	149.00	Taiwan $	38.07
Brazil cruz.	13.77	Indo. rupiah	1,131.00	Saudi riyal	3.7526	Thai baht	26.155
Canadian $	1.3757	Irish £	0.7275	Sing. $	2.1845	Turkish lira	672.10
Chinese yuan	3.7036	Israeli shek.	1.4823	S. Afr. rand	2.5907	UAE dirham	3.6733
Danish krone	8.054	Kuwaiti dinar	0.2903	S. Kor. won	881.80	Venez. boliv.	18.90
Egypt. pound	1.33	Malay. ring.	2.65				

Sterling: [illegible] Irish £

Sources: Banque du Benelux (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); BAII (dinar, riyal, dirham); [illegible]bank (ple). Other data from Reuters and AP.

Interest Rates

Eurocurrency Deposits *July 16*

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	ECU	SDR
1 month	6 1/2-6 [illegible]	4 [illegible]-4 [illegible]	5 [illegible]-5 [illegible]	9 [illegible]-10 [illegible]	7 [illegible]-7 [illegible]	7 [illegible]-7 [illegible]	6 [illegible]
2 months	6 1/2-6 [illegible]	4 [illegible]-4 [illegible]	5-5 [illegible]	9 [illegible]-10 [illegible]	7 [illegible]-7 [illegible]	7 [illegible]-7 [illegible]	6 [illegible]
3 months	6 1/2-6 [illegible]	4 [illegible]-4 [illegible]	5-5 [illegible]	9 [illegible]-10 [illegible]	7 [illegible]-7 [illegible]	7 [illegible]-7 [illegible]	6 [illegible]
6 months	6 1/2-6 [illegible]	4 1/2-4 [illegible]	4 [illegible]-5 [illegible]	9 [illegible]-10 [illegible]	7 1/4-7 [illegible]	7 [illegible]-7 [illegible]	6 [illegible]
1 year	6 [illegible]-6 [illegible]	4 [illegible]-4 [illegible]	4 [illegible]-4 [illegible]	9 [illegible]-10 [illegible]	7 1/4-7 1/2	7 1/2-7 [illegible]	6 [illegible]

Sources: Morgan Guaranty (dollar, DM, SF, Pound, FF); Lloyds Bank (ECU); Reuters (SDR). Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates *July 16*

	Close	Prev.
United States		
Discount Rate	6	6
Federal funds	6 1/2	6 5/16
Prime Rate	8	8
Broker Loan Rate	7 1/2	7 1/2
Comm. paper 90-179 days	6.20	6.20
3-month Treasury Bills	5.74	5.72
6-month Treasury Bills	5.79	5.74
CD's 30-59 days	6.24	6.05
CD's 60-89 days	6.31	6.08
West Germany		
Lombard Rate	5.50	5.50
Overnight Rate	4.45	4.45
One Month Interbank	4.65	4.65
3-month Interbank	4.65	4.65
6-month Interbank	4.70	4.70
France		
Intervention Rate	7	7
Call Money	7	7
One month Interbank	7 [illegible]	7 [illegible]
3-month Interbank	7 [illegible]	7 [illegible]
6-month Interbank	7 [illegible]	7 [illegible]
Britain		
Bank Base Rate	10	10
Call Money	10 1/4	n.a.
91-day Treasury Bill	9 [illegible]	9 11/16
3-month Interbank	9 21/32	10 1/16
Japan		
Discount Rate	3 1/2	3 1/2
Call Money	4 7/16	4 1/2
60-day Interbank	4 11/16	4 [illegible]

Sources: Reuters, Commerzbank, Crédit Lyonnais, Bank of Tokyo.

Asian Dollar Deposits *July 16*

1 month	6 [illegible] - 6 [illegible]
2 months	6 [illegible] - 6 [illegible]
3 months	6 [illegible] - 6 [illegible]
6 months	6 [illegible] - 6 [illegible]
1 year	6 [illegible] - 6 [illegible]

Source: Reuters.

U.S. Money Market Funds *July 16*

Merrill Lynch Ready Assets
30 day average yield: n.a.
Telerate Interest Rate Index: 6.275

Source: Merrill Lynch, Telerate.

Gold

July 16

	A.M.	P.M.	Ch'ge
Hong Kong	348.20	348.75	+ 2.90
Luxembourg	348.70	—	+ 2.75
Paris (12.5 kilo)	349.19	349.66	+ 2.17
Zurich	349.85	347.70	+ 1.50
London	348.35	347.60	+ 1.60
New York	—	347.60	— 0.40

Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York Comex current contract. All prices in U.S. $ per ounce.

Source: Reuters.

Markets Closed

Markets were closed Wednesday in South Korea for a holiday.

OECD Positive on German Economy

By Warren Getler

International Herald Tribune

FRANKFURT — West Germany's economy will expand 3.4 percent this year and 3.1 percent in 1987, but significant cuts in employment will not materialize unless Bonn takes "vigorous action" to improve growth conditions, the OECD concluded in a report released Wednesday.

The Organization for Economic Cooperation and Development predicted that unemployment, a sensitive issue in the run-up to the January national election, would drop only slightly this year to 7.9 percent, from 8.3 percent in 1985. It would be the first measurable decline since 1979.

The annual report on the West German economy gave generally high marks to Bonn's fiscal and monetary policies, asserting that conditions for sustained, noninflationary growth are "favorable."

It said, however, that policies aimed at generating supply-side stimulus for the economy had fallen short of the goal, particularly in reducing taxes and subsidies.

"Fiscal consolidation has been pursued vigorously," the OECD said, "but, although some efforts have been made to improve the structure of taxation, the overall tax burden has not been durably reduced." Furthermore, it said, "the structure of public expenditure does not appear to be fully consistent with the aim of the government to improve supply conditions."

The report buttressed predictions by Bonn that gross national product will expand at a 3.5-percent rate this year, despite recent moves by West German commercial banks to revise their projections downward to 2.5 to 3 percent. The OECD projection puts growth in West Germany ahead of all other major Western economies except Canada, where it predicts GNP will grow 3.75 percent in 1986.

The OECD forecast that domestic demand would grow a healthy 4.3 percent in 1986 and 1987, up from 1.4 percent last year.

But the OECD cautioned that the economy's apparent solid footing was based largely on "favorable external influence," including the strong appreciation of the dollar and the sharp fall in oil prices.

Those factors will help push up West Germany's current-account surplus to $28.6 billion this year, more than double the $13.1 billion in 1985, the OECD said. But it predicted that the current account, which includes nonmerchandise items and is the broadest measure of trade performance, would fall to $21.6 billion next year.

While avoiding a direct call for expansionary moves, the OECD said "it would be unfortunate if the present favorable economic situation were not used to accelerate the implementation of supply-side policies to strengthen the economy, thus improving prospects for stronger noninflationary growth."

Subsidies have grown rather than shrunk in the past two years, the OECD said, and may continue increasing.

The report agreed with Bonn that cuts in subsidies were necessary for a major tax overhaul.

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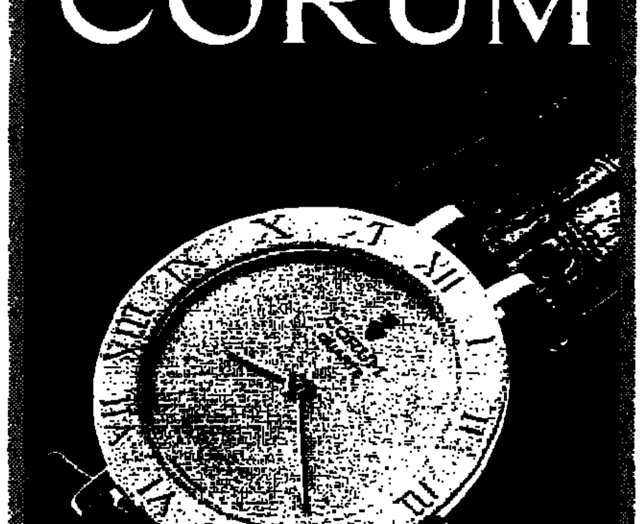

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Wednesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

U.S. Futures

Via The Associated Press

July 16

Grains

WHEAT (CBT)
5,000 bu minimum- dollars per bushel

Season High	Season Low		Open	High	Low	Close	Chg.
3.10	2.41	Jul	2.66½	2.76	2.63	2.74	+.07½
2.97	2.39	Sep	2.57	2.66¾	2.55	2.64¾	+.08¾
3.09	2.44	Dec	2.58¾	2.69	2.56½	2.68¼	+.10¾
3.08	2.42½	Mar	2.55	2.64	2.54½	2.63½	+.08½
3.00	2.32¾	May	2.41	2.49	2.41	2.48½	+.07¾
2.90	2.27¼	Jul	2.31	2.38	2.31	2.37¾	+.06¾

Est. Sales Prev. Sales 13,735
Prev. Day Open Int. 33,175 off 1,045

CORN (CBT)
5,000 bu minimum- dollars per bushel

Season High	Season Low		Open	High	Low	Close	Chg.
2.86	1.91	Jul	2.19½	2.20	2.11	2.13½	—.00¾
2.70	1.70½	Sep	1.81	1.81	1.77¼	1.79¾	+.01¾
2.35½	1.71½	Dec	1.80½	1.82	1.78¾	1.81½	+.03¾
2.42½	1.82	Mar	1.90	1.91	1.88¾	1.90¾	+.02¾
2.42	1.86¾	May	1.95½	1.96¼	1.92¾	1.96¼	+.02¾
2.27	1.88¾	Jul	1.97½	1.97½	1.95½	1.97½	+.02½
2.01½	1.83	Sep	1.90	1.91½	1.89	1.90½	+.02

Est. Sales Prev. Sales 31,489
Prev. Day Open Int. 113,909 off 519

SOYBEANS (CBT)
5,000 bu minimum- dollars per bushel

Season High	Season Low		Open	High	Low	Close	Chg.
6.58	4.97	Jul	5.37	5.45	5.36½	5.44¾	+.10¾
6.09	4.98½	Aug	5.19	5.29	5.17¾	5.27½	+.11¼
5.85½	4.84	Sep	5.12	5.17	5.06¾	5.16¾	+.14½
5.56½	4.79½	Nov	5.12	5.18	5.06½	5.16½	+.15
5.65	4.88	Jan	5.18	5.27	5.15½	5.25½	+.15¾
5.76	4.97½	Mar	5.26	5.35	5.24	5.34½	+.16
5.74	5.04½	May	5.31½	5.41	5.30½	5.40½	+.16
5.77½	5.06½	Jul	5.34½	5.44½	5.34	5.43	+.17
5.40	5.06	Aug	5.33	5.40	5.33	5.40	+.15½

Est. Sales Prev. Sales 43,089
Prev. Day Open Int. 59,983 off 28

SOYBEAN MEAL (CBT)
100 tons- dollars per ton

Season High	Season Low		Open	High	Low	Close	Chg.
167.00	134.00	Jul	157.00	157.50	156.10	156.70	+.30
163.50	135.50	Aug	149.50	151.50	149.20	150.90	+2.20
160.50	137.50	Sep	146.00	149.00	145.50	149.00	+4.30
162.10	136.00	Oct	145.50	149.50	144.50	149.20	+6.10
162.70	136.80	Dec	147.50	152.00	146.50	150.90	+5.70
163.10	136.00	Jan	150.00	152.50	148.50	152.20	+6.20
163.10	143.00	Mar	151.00	155.00	151.00	154.70	+6.00
169.70	143.00	May	153.00	156.00	153.00	156.00	+4.00
157.00	146.10	Jul	155.00	157.50	155.00	158.00	+3.00
148.00	147.00	Aug				158.20	+3.20

Est. Sales Prev. Sales 23,234
Prev. Day Open Int. 53,797 up 647

SOYBEAN OIL (CBT)
60,000 lbs- dollars per 100 lbs.

Season High	Season Low		Open	High	Low	Close	Chg.
25.25	15.98	Jul	16.35	16.85	16.32	16.85	+.45
25.15	16.02	Aug	16.31	16.85	16.30	16.83	+.42
24.05	16.17	Sep	16.45	17.30	16.45	17.15	+.78
22.80	16.27	Oct	16.65	17.45	16.60	17.37	+.89
22.50	16.65	Dec	17.13	17.80	17.12	17.72	+.71
22.25	16.85	Jan	17.20	17.87	17.30	17.86	+.76
20.25	17.20	Mar	17.50	17.90	17.50	18.10	+.48
20.90	17.51	May	18.03	18.25	17.95	18.40	+.63
18.70	17.74	Jul	18.25	18.50	18.17	18.45	+.62
18.00	17.73	Aug				18.40	+.48

Est. Sales Prev. Sales 11,685
Prev. Day Open Int. 65,669 up 708

Livestock

CATTLE (CME)
40,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
61.75	49.85	Aug	56.75	57.90	56.30	56.92	+.25
60.60	49.45	Oct	56.50	57.70	56.35	56.82	+.25
61.25	51.40	Dec	57.20	58.45	57.25	57.55	—.17
60.50	51.70	Feb	56.05	56.60	55.70	56.17	+.20
59.00	53.30	Apr	56.87	57.50	56.70	57.32	+.45
58.60	54.25	Jun	57.10	57.80	57.10	57.70	+.60

Est. Sales 27,403 Prev. Sales 20,623
Prev. Day Open Int. 63,937 up 1,396

FEEDER CATTLE (CME)
44,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
68.70	53.35	Aug	64.27	65.25	63.75	64.10	—.40
64.25	52.40	Sep	62.25	62.90	61.75	62.05	—.17
64.10	52.85	Oct	62.25	62.85	61.70	62.17	—.15
64.35	54.15	Nov	63.15	63.70	62.75	63.05	—.12
63.47	56.25	Jan	63.40	63.95	63.40	62.50	+.10
63.40	56.75	Mar	63.42	63.80	63.25	63.35	—.05
62.50	57.00	Apr	62.95	63.10	62.60	62.70	+.10

Est. Sales 1,757 Prev. Sales 2,419
Prev. Day Open Int. 12,037 up 117

HOGS (CME)
30,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
62.57	40.45	Jul	61.30	61.85	61.20	61.85	+1.50
70.50	39.27	Aug	57.90	59.17	57.90	59.17	+1.50
54.25	36.50	Oct	54.00	55.25	53.95	54.95	+1.08
53.00	38.37	Dec	53.00	54.00	52.95	53.85	+.85
50.75	40.00	Feb	50.25	51.00	50.25	50.80	+.68
45.50	37.20	Apr	44.45	45.25	44.45	44.95	+.55
46.67	39.00	Jun	45.85	46.40	45.85	46.40	+.50
46.40	40.20	Jul	45.50	46.25	45.50	46.42	+.55
47.00	43.30	Aug	44.00	44.50	43.95	44.50	+.50

Est. Sales 8,310 Prev. Sales 9,860
Prev. Day Open Int. 29,960 up 19

PORK BELLIES (CME)
38,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
91.46	51.05	Jul	88.60	89.37	88.10	89.37	+2.00
88.10	50.02	Aug	86.50	87.17	86.05	87.17	+2.00
76.90	56.40	Feb	77.50	78.82	77.20	78.85	+2.00
74.10	56.30	Mar	76.70	78.32	76.60	78.10	+1.78
73.05	58.00	May	74.15	75.60	74.15	75.47	+1.60
70.45	59.40	Jul	70.80	72.30	70.80	71.35	+1.05

Est. Sales 2,219 Prev. Sales 4,446
Prev. Day Open Int. 9,009 up 128

Food

COFFEE C (NYCSCE)
37,500 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg
278.38	135.50	Jul	179.00	186.00	174.00	182.50	+1.12
282.78	137.50	Sep	181.00	188.25	178.20	185.38	+2.65
287.10	138.00	Dec	185.25	190.24	182.25	189.05	+4.81
290.33	156.75	Mar	187.75	193.45	185.00	191.25	+3.80
291.83	169.95	May	189.00	195.73	189.00	194.87	+5.14
266.25	178.50	Jul	191.75	197.00	191.75	196.38	+4.63
255.00	193.35	Sep	193.38	199.38	193.38	198.94	+5.56
		Dec				199.81	+5.56

Est. Sales Prev. Sales 6,006
Prev. Day Open Int. 15,965 off 167

SUGARWORLD 11 (NYCSCE)
112,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg
9.42	4.05	Sep	5.10	5.16	5.06	5.08	—.05
9.40	4.02	Oct	5.48	5.60	5.43	5.45	—.01
9.50	5.53	Jan	5.54	5.61	5.54	5.55	—.11
9.64	6.03	Mar	6.26	6.38	6.21	6.25	+.03
9.82	6.35	May	6.45	6.50	6.41	6.44	+.04
9.92	6.50	Jul	6.61	6.65	6.55	6.61	+.02
		Sep				6.57	+.02
9.60	6.66	Oct	6.81	6.89	6.80	6.89	+.07

Est. Sales 9,494 Prev. Sales 11,230
Prev. Day Open Int. 85,481 off 566

COCOA (NYCSCE)
10 metric tons- $ per ton

Season High	Season Low		Open	High	Low	Close	Chg
2429	1648	Jul	1850	1850	1850	1826	—37
2430	1712	Sep	1905	1915	1860	1863	—37
2425	1776	Dec	1955	1966	1912	1917	—33
2385	1825	Mar	1998	2006	1959	1962	—31
2184	1863	May	2013	2022	1980	1981	—31
2200	1875	Jul	2015	2017	2015	2010	—31
2045	1904	Sep	2035	2035	2025	2028	—42
		Dec	2105	2105	2060	2062	—41

Est. Sales 3,857 Prev. Sales 3,153
Prev. Day Open Int. 22,074 up 200

ORANGE JUICE (NYCE)
15,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg
157.50	83.50	Jul	101.25	102.40	101.00	102.00	+2.25
127.25	82.80	Sep	100.50	101.00	99.70	100.50	+1.40
125.00	82.50	Nov	101.80	102.10	101.20	102.00	+1.75
113.00	83.75	Jan	102.70	103.50	102.70	103.50	+2.05
122.00	83.90	Mar	104.00	104.90	102.50	104.10	+1.40
109.90	84.50	May				105.20	+1.60
109.60	84.75	Jul				106.30	+1.60
111.40	107.00	Sep				107.40	+1.60
112.00	112.00	Nov				107.40	+1.60

Est. Sales 750 Prev. Sales 1,041
Prev. Day Open Int. 7,127 off 301

Metals

COPPER (COMEX)
25,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg
72.55	58.15	Jul	59.10	60.00	59.00	59.00	—.20
63.35	63.30	Aug				59.10	—.15
70.90	58.45	Sep	59.60	59.70	59.45	59.45	—.15
70.30	59.30	Dec	60.10	60.20	59.90	60.00	—.15
70.50	60.05	Jan				60.20	—.15
70.00	59.75	Mar	60.60	60.75	60.55	60.55	—.15
70.10	60.00	May	61.00	61.00	61.00	60.90	—.15
69.95	60.50	Jul	61.30	61.55	61.30	61.25	—.15
70.35	60.85	Sep				61.55	—.15
69.50	61.20	Dec				62.08	—.15
70.80	63.35	Jan				62.15	—.15
68.50	63.30	Mar				62.45	—.15
63.30	63.30	May				62.75	—.15

Est. Sales 3,100 Prev. Sales 5,000
Prev. Day Open Int. 63,423 off 187

ALUMINUM (COMEX)
40,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg
63.45	44.50	Jul				50.35	—.15
		Aug				50.50	—.15
61.20	46.90	Sep	50.60	50.80	50.50	50.75	—.15
61.75	48.95	Dec	51.10	51.10	51.10	51.25	—.15
57.60	56.00	Jan				51.35	—.15
59.40	51.55	Mar				51.75	—.15
57.65	49.40	May				52.05	—.15
60.45	50.00	Jul				52.30	—.15
52.15	51.50	Sep				52.50	—.15
		Dec				52.70	—.15
		Jan				52.80	—.15
		Mar				52.90	—.15
		May				53.00	—.15

Est. Sales 45 Prev. Sales 250
Prev. Day Open Int. 1,063 up 10

SILVER (COMEX)
5,000 troy oz.- cents per troy oz.

Season High	Season Low		Open	High	Low	Close	Chg
945.0	487.0	Jul	507.0	509.0	503.8	503.8	—3.1
540.0	499.0	Aug				505.4	—3.2
940.0	493.0	Sep	512.5	515.0	506.0	508.0	—3.3
799.0	503.0	Dec	521.5	524.0	515.0	516.4	—3.4
789.0	510.5	Jan				519.3	—3.4
770.0	511.0	Mar	526.0	526.0	525.0	524.8	—3.4
752.0	520.0	May	537.0	537.0	534.0	530.7	—3.4
746.0	524.0	Jul	530.0	538.0	538.0	536.4	—3.4
729.2	532.0	Sep	544.5	544.5	544.5	542.6	—3.4
694.0	543.5	Dec	558.0	559.0	555.0	552.0	—3.4
607.0	553.0	Jan				555.3	—3.4
610.0	535.0	Mar	564.0	564.0	564.0	562.1	—3.4
		May				569.1	—3.4

Est. Sales 7,000 Prev. Sales 10,000
Prev. Day Open Int. 65,294 up 77

PLATINUM (NYME)
50 troy oz.- dollars per troy oz.

Season High	Season Low		Open	High	Low	Close	Chg
455.50	273.00	Jul	445.00	446.50	443.50	442.10	+.80
459.50	303.50	Oct	446.00	447.00	442.00	444.10	+.90
462.00	347.00	Jan	449.50	449.50	446.00	447.10	+1.10
463.00	361.00	Apr	452.50	452.50	450.00	449.90	+1.10
463.00	417.00	Jul				453.40	+1.10

Est. Sales 2,909 Prev. Sales 3,976
Prev. Day Open Int. 17,405 up 373

PALLADIUM (NYME)
100 troy oz- dollars per oz

Season High	Season Low		Open	High	Low	Close	Chg
111.25	107.80	Jul				111.85	+1.05
119.00	91.70	Sep	111.65	112.60	111.50	112.50	+.95
120.00	94.25	Dec	112.00	112.25	112.00	112.75	+.95
120.00	102.00	Mar				113.00	+.95
115.00	112.50	Jun				113.25	+.95

Est. Sales Prev. Sales 171
Prev. Day Open Int. 5,373 off 7

GOLD (COMEX)
100 troy oz.- dollars per troy oz.

Season High	Season Low		Open	High	Low	Close	Chg
350.00	342.50	Jul				347.60	—.40
427.50	328.00	Aug	349.70	350.10	347.70	348.70	—.40
		Sep				350.40	—.40
395.70	331.50	Oct	353.00	353.10	351.00	351.80	—.30
392.00	336.50	Dec	356.30	356.30	354.00	354.90	—.40
397.50	337.30	Feb	358.50	358.50	358.00	358.10	—.40
405.00	346.30	Apr	362.00	362.00	362.00	361.20	—.40
409.00	350.50	Jun	365.30	365.30	365.00	364.40	—.40
408.50	356.00	Aug	368.00	368.00	368.00	367.90	—.40
420.00	361.00	Oct				371.40	—.40
399.40	365.00	Dec	374.60	374.60	374.60	375.10	—.40
389.00	371.50	Feb	378.20	378.20	378.20	379.00	—.40
372.50	378.00	Apr				383.00	—.40

Est. Sales 17,000 Prev. Sales 23,000
Prev. Day Open Int. 121,925 up 197

Financial

US T. BILLS (IMM)
$1 million- pts of 100 pct.

Season High	Season Low		Open	High	Low	Close	Chg
94.86	88.00	Sep	94.52	94.55	94.49	94.50	—.04
94.75	89.05	Dec	94.60	94.64	94.57	94.57	—.03
94.56	89.58	Mar	94.45	94.52	94.45	94.46	—.01
94.35	90.50	Jun	94.25	94.29	94.25	94.27	+.02
94.18	90.83	Sep				94.03	+.03
93.93	91.48	Dec				93.78	+.04
93.80	92.18	Mar				93.55	+.04

Est. Sales 4,847 Prev. Sales 5,715
Prev. Day Open Int. 40,438 off 607

10 YR. TREASURY (CBT)
$100,000 prin- pts & 32nds of 100 pct

Season High	Season Low		Open	High	Low	Close	Chg
104-22	80-7	Sep	102-16	102-28	102-5	102-7	—12
103-8	80-2	Dec	101-22	102-4	101-16	101-17	—12
102-6	89-15	Mar				100-27	—12
100-18	100-2	Jun				100-5	—12

Est. Sales Prev. Sales 16,521
Prev. Day Open Int. 66,112 up 1,489

US TREASURY BONDS (CBT)
(8 pct-$100,000-pts & 32nds of 100 pct)

Season High	Season Low		Open	High	Low	Close	Chg
104-20	56-29	Sep	100-19	101-16	100-2	100-5	—28
103-25	56-25	Dec	99-25	100-24	99-22	100	—9
102-30	56-27	Mar	99-1	100	98-29	100	+15
102-5	63-12	Jun	98-7	99-7	97-29	97-29	—28
101-22	63-4	Sep	98	98-17	97-7	97-7	—28
101-10	62-24	Dec	97-1	97-29	96-19	96-19	—28
100-26	67	Mar	96-23	97-10	96	96-1	—27
99-23	66-25	Jun				95-17	—26
99-12	76-8	Sep				95-3	—25
99-2	85-16	Dec				94-23	—24
94-11	89-12	Mar				94-12	—24

Est. Sales Prev. Sales 230,846
Prev. Day Open Int. 208,033 up 3,513

MUNICIPAL BONDS (CBT)
$1000 x index-pts & 32nds of 100 pct

Season High	Season Low		Open	High	Low	Close	Chg
103-1	79-10	Sep	95-2	95-26	94-29	94-30	—13
98-22	88-20	Dec	94-23	95-10	94-16	94-16	—12
95-25	93-28	Mar				94-15	—12

Est. Sales Prev. Sales 2,765
Prev. Day Open Int. 13,402 up 69

Industrials

LUMBER (CME)
130,000 bd. ft.- $ per 1,000 bd. ft.

Season High	Season Low		Open	High	Low	Close	Chg
182.40	145.50	Sep	[illegible]	155.40	151.30	151.50	—1.80
174.50	146.00	Nov	[illegible]	154.20	150.60	150.70	—3.30
175.00	150.00	Jan	[illegible]	158.00	155.00	155.30	—1.30
175.50	153.00	Mar	[illegible]	160.00	158.10	158.10	—1.90
174.50	160.00	May	[illegible]	161.00	159.10	159.10	—1.90
175.50	160.00	Jul	[illegible]	160.10	160.10	160.10	—2.50

Est. Sales Prev. Sales 2,459
Prev. Day Open Int. 5,293 [illegible]

HEATING OIL (NYME)
42,000 gal- cents per gal

CRUDE OIL (NYME)
1,000 bbl.- dollars per bbl.

Est. Sales Prev. Sales 56,701
Prev. Day Open Int. 132,368 up 6,416

Stock Indexes

(Indexes compiled shortly before market close)

SP COMP. INDEX (CME)
points and cents

Season High	Season Low		Open	High	Low	Close	Chg
255.20	187.00	Sep	235.50	237.55	[illegible]	235.85	
257.25	209.50	Dec	237.00	239.20	[illegible]	236.95	+.20
258.20	235.00	Mar	239.45	239.45	[illegible]	239.90	+1.40
258.90	239.00	Jun	242.50	242.50	[illegible]	242.50	+2.30

Est. Sales Prev. Sales 115,026
Prev. Day Open Int. 104,426 up 5,168

VALUE LINE (KCBT)
points and cents

Season High	Season Low		Open	High	Low	Close	Chg
250.35	199.45	Sep	227.30	229.90	[illegible]	227.50	+.30
250.10	228.00	Dec	229.20	231.00	[illegible]	228.75	+.30

Est. Sales Prev. Sales 4,121
Prev. Day Open Int. 9,755 up 414

NYSE COMP. INDEX (NYFE)
points and cents

Season High	Season Low		Open	High	Low	Close	Chg
146.80	108.10	Sep	135.60	136.90	[illegible]	135.35	+.85
148.00	121.10	Dec	136.76	137.90	[illegible]	136.58	+.28
148.95	137.15	Mar	138.60	138.60	[illegible]	138.05	+.25
148.50	140.00	Jun	139.10	139.10	[illegible]	139.10	+.80

Est. Sales Prev. Sales 17,924
Prev. Day Open Int. 10,506 off 165

MMI MAXI INDEX (CBT)
mmi x 250 x index

Season High	Season Low		Open	High	Low	Close	Chg
366.10	332.60	Jul	340.00	343.25	[illegible]	340.30	—.85
366.20	338.70	Aug	340.10	343.70	[illegible]	341.00	+.10
366.90	331.00	Sep	340.90	344.20	[illegible]	341.50	+.15
369.20	344.20	Dec	344.45	347.50	[illegible]	344.40	+.20

Est. Sales Prev. Sales 14,334
Prev. Day Open Int. 11,332 up 1,454

Commodity Indexes

	Close	Previous
Moody's	980.40	971.60 f
Reuters	N.A.	N.A.
D.J. Futures	N.A.	114.12
Com. Research Bureau	N.A.	200.65

Moody's : base 100 : Dec. 31, 1931.
p - preliminary; f - final
Reuters : base 100 : Sep. 18, 1931.
Dow Jones : base 100 : Dec. 31, 1974.

Market Guide

CBT:	Chicago Board of Trade
CME:	Chicago Mercantile Exchange
IMM:	International Monetary Market Of Chicago Mercantile Exchange
NYCSCE:	New York Cocoa, Sugar, Coffee Exchange
NYCE:	New York Cotton Exchange
COMEX:	Commodity Exchange, New York
NYME:	New York Mercantile Exchange
KCBT:	Kansas City Board of Trade
NYFE:	New York Futures Exchange

Currency Options

July 15

PHILADELPHIA EXCHANGE

Option & Underlying	Strike Price	Calls—Last Jul	Aug	Sep	Puts—Last Jul	Aug	Sep
12,500 British Pounds-cents per unit.							
BPound	140	r	s	r	r	s	0.85
150.54	145	r	r	5.85	r	1.60	1.95
150.54	150	r	2.15	2.90	r	3.30	4.40
150.54	155	r	0.80	1.40	r	6.50	7.50
150.54	160	r	r	0.70	r	r	r
50,000 Canadian Dollars-cents per unit.							
CDollr	72	r	r	1.05	r	r	0.48
62,500 West German Marks-cents per unit.							
DMark	41	r	s	r	r	s	0.04
46.46	42	r	r	r	r	0.03	r
46.46	43	r	r	3.64	r	r	0.13
46.46	44	r	r	r	r	0.12	0.25
46.46	45	r	1.67	1.86	r	0.24	0.45
46.46	46	r	1.12	1.42	r	0.59	0.88
46.46	47	r	0.62	0.90	r	1.17	1.45
46.46	48	r	0.29	0.55	r	r	r
46.46	49	r	s	r	r	s	2.92
125,000 French Francs-10ths of a cent per unit.							
FFranc	140	r	r	r	r	1.10	r
6,250,000 Japanese Yen-100ths of a cent per unit.							
JYen	47	s	s	15.70	s	s	r
62.97	57	r	r	r	r	r	0.09
62.97	58	r	r	4.90	r	r	r
62.97	59	r	r	4.00	r	0.09	0.29
62.97	60	r	r	3.41	r	0.15	0.41
62.97	61	r	2.07	2.56	r	0.33	r
62.97	62	r	1.52	1.95	r	0.60	0.96
62.97	63	r	1.08	1.46	r	0.98	r
62.97	64	r	0.71	1.14	r	r	r
62.97	65	r	0.44	0.80	r	r	r
62,500 Swiss Francs-cents per unit.							
SFranc	51	r	r	r	r	r	0.08
57.27	53	r	r	4.05	r	r	0.19
57.27	54	r	r	3.27	r	0.12	r
57.27	55	r	r	r	r	0.29	r
57.27	56	r	1.53	2.15	r	0.41	r
57.27	57	r	0.98	1.65	r	0.82	1.10
57.27	58	r	0.76	1.08	r	r	r
57.27	59	r	0.31	0.85	r	r	r
57.27	60	r	0.18	0.58	r	r	r

Total call vol. 8,474 Call open int. 328,864
Total put vol. 19,881 Put open int. 287,489
r—Not traded. s—No option offered.
Last is premium (purchase price).
Source: AP.

Saudi Output Estimated At 6 Million Barrels, Norway Production Up

Reuters

BAHRAIN — Saudi Arabia's oil output has jumped to around 6 million barrels per day, maintaining a strong rise that has helped to depress oil prices, industry sources in the region said Wednesday.

Saudi Arabian output in the second week of July probably exceeded 6 million barrels per day, up from at least 5.3 million barrels in the first week and a daily average of about 5 million in June, the sources said. Its quota set by the Organization of Petroleum Exporting Countries is 4.353 million barrels per day.

High output by Saudi Arabia as well as by other nations has pushed up total OPEC output to 19 million to 19.5 million barrels, compared with an agreed ceiling of 16 million. That, combined with solid non-OPEC production levels, has caused oil prices to plunge to levels not seen since 1973 in some cases, and record lows in others.

In Oslo, operators reported Wednesday that Norway's production of crude oil from the North Sea rose to 989,623 barrels per day, up from 880,467 barrels in May. Norway is not a member of OPEC, but the oil and energy minister, Arne Oeien, has said that it would consider cooperating with the cartel to help stabilize prices if OPEC could agree on and enforce reasonable quotas.

OPEC ministers are scheduled to meet July 28 in Geneva to try to decide on new quotas for members.

NYSE Highs-Lows

NEW HIGHS 53

ANR 212pf	AmFamily s	ArizPSv 358	CalFed
CalFed pf	CenHud Gas	CenIll PSvc	CenLaElec
CentVIPS	CenturyTel	CommwithEngy	ConEdisn
ConEd 6pfB	FePa 120pf	FlaProgress	Frigitronc
GaPw 256pf	GibrltFin	GoldWstFn s	HawallEl
ICN Pharm	InfcapSec	Interst Pw	IowaIll GE
IpalcoEnt	KC Sthn pf	Kenticky Ut	LineNatCv n
Loulsv GE	MidwstEngy s	MinnPL s	NevadaPwr
NevadPw wi	NewEngEl s	NYStaEG	PacGE
Penna PwLt	PhEl 952pf	PortGenCp	Patom Elec
PSInd 715pf	PugSdPL	RobshwCon	StJos LtPw
SanDie Gas	Savannh EP	SavnhEP A	SourceCap pf
SoulndGE	SouNEngTl	TECO	TNP Ent
WiscPw Lt			

NEW LOWS 42

AMD	AlliedSgnl n	AmerHess	Asarco Inc
AllRh 280pf	AvnetInc	BakerIntl	BkBos adl pf
Bell Indust	BrockHil n	BrushWel	ClevCliff
Coleco	DeclsCap n	DiamShm	EnrchExp
FairCam	FIBTx adl pf	FranceFd n	Gouldinc
HouOilRoy	Interist	ItalyFd n	Kidde pfC
LTV 125pf	LearPetrl	NII	OhEd 724pf
PhillipPet	Rowan	Rubrmd wi	SFeSouPac
Sonat	SunEngy n	TexasIntl	ToddShip
Trchmk adl p	USX Corp	Unitrode	Unocal
ValeroEnr	Wedtech		

The Daily Source for International Investors.
Herald Tribune

Asian Commodities

July 16

KUALA LUMPUR RUBBER
Malaysian cents per kilo

	Close Bid	Ask	Previous Bid	Ask
Aug	215.00	217.00	212.00	214.00
Sep	212.50	214.50	209.50	211.50
Oct	213.50	215.50	210.50	212.50
Nov	214.50	216.50	211.50	213.50
Dec	215.50	217.50	212.50	214.50

Volume: 0 lots.

SINGAPORE RUBBER
Singapore cents per kilo

	Close Bid	Ask	Previous Bid	Ask
RSS 1 Aug	176.00	176.50	173.25	173.75
RSS 1 Sep	176.00	176.50	173.00	173.50
RSS 2 Aug	172.00	174.00	170.00	172.00
RSS 3 Aug	170.00	172.00	168.00	170.00
RSS 4 Aug	167.00	169.00	165.00	167.00
RSS 5 Aug	162.00	164.00	160.00	162.00

KUALA LUMPUR PALM OIL
Malaysian ringgits per 25 tons

	Close Bid	Ask	Previous Bid	Ask
Aug	540.00	542.00	545.00	547.00
Sep	530.00	536.00	539.00	541.00
Oct	530.00	533.00	538.00	542.00
Nov	533.00	535.00	539.00	n.a.
Dec	532.00	536.00	n.a.	n.a.
Jan	533.00	n.a.	n.a.	n.a.
Mar	n.a.	n.a.	n.a.	n.a.
May	n.a.	n.a.	n.a.	n.a.

Volume: 121 lots of 25 tons.
Source: Reuters.

Paris Commodities

July 16

	High	Low	Close Bid	Ask	Ch'ge
SUGAR					
French francs per metric ton					
Oct	1,225	1,197	1,215	1,223	—1
Dec	1,240	1,240	1,235	1,250	—18
Mar	1,279	1,265	1,269	1,275	—7
May	N.T.	N.T.	1,305	1,320	—10
Aug	1,360	1,360	1,360	1,380	+5
Oct	N.T.	N.T.	1,400	1,420	Unch.

Est. vol.: 3,900 lots of 50 tons. Prev. actual sales: 5,689 lots. Open interest: 22,514

	High	Low	Close Bid	Ask	Ch'ge
COCOA					
French francs per 100 kg					
Jly	N.T.	N.T.	N.Q.	N.Q.	—30
Sep	N.T.	N.T.	1,410	1,435	—17
Dec	1,453	1,455	1,450	1,470	—3
Mar	N.T.	N.T.	1,465	—	—25
May	N.T.	N.T.	1,485	—	—25
Jly	N.T.	N.T.	1,505	—	—23
Sep	N.T.	N.T.	1,515	—	—25

Est. vol.: 2 lots of 10 tons. Prev. actual sales: 0 lots. Open interest: 181

	High	Low	Close Bid	Ask	Ch'ge
COFFEE					
French francs per 100 kg					
Jly	N.T.	N.T.	1,870	1,960	—10
Sep	1,960	1,860	1,967	1,985	—7
Nov	2,020	1,990	2,014	2,025	—10
Jan	N.T.	N.T.	2,030	—	+5
Mar	2,060	2,060	2,045	2,075	Unch.
May	2,070	2,070	2,060	2,080	+10
Jly	N.T.	N.T.	2,060	—	+10

Est. vol.: 162 lots of 5 tons. Prev. actual sales: 312 lots. Open interest: 1,000
Source: Bourse du Commerce.

Dividends

July 16

Company	Per	Amt	Pay	Rec
INCREASED				
Banc One Corp	Q	.21	9-30	9-15
ICM Property	Q	.35	8-21	7-31
INITIAL				
First Union Corp	Q	.17	9-15	8-15
SPECIAL				
Montgomery Street	M	.02	8-15	8-1
STOCK				
Indiana Natl		10 PC	8-15	7-25
STOCK SPLIT				
CNB Bancshares Inc — 2-for-1				
Philip Crosby Assoc — 2-for-1				
USUAL				
American Fletcher	Q	.25	8-1	7-25
Artra Group Inc	Q	.05½	9-5	7-31
Benequity Holdings	Q	.30	9-11	7-31
Big V Supermarkets	Q	.11	8-8	7-22
Butler Mfg	Q	.33	10-2	9-17
Carling O'Keefe	Q	.12	10-1	9-5
Centerre Bancorp	Q	.45	8-31	8-5
Church's Frd Chick	Q	.11½	8-18	8-1
Cincinnati Milacron	Q	.18	9-12	8-22
Citicorp	Q	.61½	8-11	7-25
Claire's Stores	Q	.02½	8-20	8-5
Computer Data Sys	S	.05	8-29	8-1
Donaldson Co	Q	.16½	9-12	9-2
Equitable Resources	Q	.43	9-1	8-18
Fed Natl Mortgage	Q	.04	8-25	8-1
Honeywell Inc	Q	.50	9-15	8-29
Indiana Natl Corp	Q	.27½	9-26	9-5
K mart Corp	Q	.37	9-8	8-21
Lance Inc	Q	.27	8-15	8-1
LeaRonal Inc	Q	.10	8-26	8-5
Loews Corp	Q	.25	9-2	8-14
McDonald's Corp	Q	.16½	8-7	7-29
Montgomery St Inc	M	.15	8-15	8-1
Ntheast Banco Conn	Q	.35	8-10	7-25
Philip Crosby Assoc	Q	.17½	8-15	7-31
Pub Svc Enterprise	Q	.74	9-30	9-8
Rainier Rlty Inv	Q	.25	8-8	8-4
Scott Paper Co	Q	.31	9-10	8-22
Security Pacific	Q	.37	8-20	7-29
Teco Energy Inc	Q	.43	8-15	8-1
Texas Commerce	Q	.39	10-1	9-12
Washington Post B	Q	.28	8-8	7-25

a-annual; m-monthly; q-quarterly; s-semi-annual

Source: UPI.

S&P 100 Index Options

July 15

Strike Price	Calls-Last Jly	Aug	Sep	Oct	Puts-Last Jly	Aug	Sep	Oct
205	—	—	—	—	—	1/4	1	—
210	13¾	15	15	—	1/16	11/16	1¾	—
215	6⅞	n.a.	11¼	—	1/16	1¼	3¼	4
220	2⅜	6⅞	9¼	10½	13/16	3½	5	6
225	¾	3⅝	6⅛	8¼	3¼	5¾	8¼	9
230	1/16	2⅜	4⅛	6	8½	9⅜	10¾	10
235	1/16	1⅛	2¼	4¼	13¾	1¼	14¼	14½
240	1/16	1⅛	2⅛	18%	19	19	—	—
245	—	5/16	1	2⅛	22½	27	23	—
250	—	1/16	11/16	1⅜	26¼	29⅞	26¼	—
255	—	1/16	¼	3	—	31½	—	29½

Total call volume 411,798
Total call open int. 742,853
Total put volume 456,795
Total put open int. 584,886
Index:
High 225.41 Low 221.89 Close 221.44 — 3.72
Source: CBOE.

TECHNOLOGY
IN THE IHT EVERY FRIDAY.
ANALYSIS OF IMPORTANT BREAKTHROUGHS AS THEY AFFECT COMPANIES AND INDIVIDUALS—WORLDWIDE

London Commodities

July 16

	High	Low	Close Bid	Ask	Previous Bid	Ask
SUGAR						
Sterling per metric ton						
Aug	115.20	112.60	112.60	112.80	113.00	114.00
Oct	126.00	122.40	122.40	122.80	122.40	122.60
Dec	130.00	100.00	131.40	132.40	129.40	130.80
Mar	142.40	140.40	140.00	140.40	140.60	141.00
May	147.00	145.00	143.00	145.00	144.80	145.40
Aug	N.T.	N.T.	148.80	150.20	147.80	149.40
Oct	N.T.	N.T.	152.00	154.00	151.00	153.40

Volume: 2,321 lots of 50 tons.

	High	Low	Close Bid	Ask	Previous Bid	Ask
COCOA						
Sterling per metric ton						
Jly	1,340	1,327	1,330	1,335	1,352	1,360
Sep	1,390	1,357	1,364	1,365	1,384	1,385
Dec	1,430	1,400	1,406	1,407	1,429	1,431
Mar	1,460	1,433	1,435	1,436	1,462	1,464
May	1,475	1,450	1,452	1,455	1,478	1,482
Jly	1,485	1,460	1,467	1,470	1,493	1,501
Sep	1,500	1,480	1,485	1,490	1,508	1,509

Volume: 3,487 lots of 10 tons.

	High	Low	Close Bid	Ask	Previous Bid	Ask
COFFEE						
Sterling per metric ton						
Jly	1,885	1,850	1,870	1,875	1,885	1,895
Sep	1,910	1,865	1,891	1,892	1,908	1,910
Nov	1,943	1,895	1,920	1,922	1,945	1,950
Jan	1,975	1,935	1,955	1,959	1,990	1,995
Mar	2,004	1,970	1,985	1,990	1,990	2,000
May	2,017	2,016	2,000	2,014	2,010	2,020
Jly	2,015	2,015	2,020	2,025	2,030	2,060

Volume: 4,608 lots of 5 tons.

	High	Low	Close Bid	Ask	Previous Bid	Ask
GASOIL						
U.S. dollars per metric ton						
Aug	96.00	88.50	95.00	95.50	93.50	—
Sep	99.00	93.75	98.50	99.00	97.50	98.00
Oct	101.75	97.50	101.50	102.00	101.00	102.00
Nov	104.00	100.75	102.75	103.50	103.00	103.50
Dec	106.50	102.75	104.00	106.50	105.50	107.00
Jan	N.T.	N.T.	104.50	107.00	107.00	110.00
Feb	N.T.	N.T.	107.00	112.00	108.00	113.00
Mar	N.T.	N.T.	108.00	115.00	108.00	118.00
Apr	N.T.	N.T.	108.00	117.00	108.00	122.00

Volume: 3,088 lots of 100 tons.
Sources: Reuters and London Petroleum Exchange (gasoil).

London Metals

July 16

	Close Bid	Ask	Previous Bid	Ask
ALUMINUM				
Sterling per metric ton				
Spot	728.50	729.50	736.00	737.00
Forward	744.50	745.00	753.00	754.00
COPPER CATHODES (High Grade)				
Sterling per metric ton				
Spot	882.00	883.00	886.50	887.50
Forward	902.00	902.50	906.50	907.00
COPPER CATHODES (Standard)				
Sterling per metric ton				
Spot	844.00	846.00	853.00	854.00
Forward	869.00	871.00	870.00	873.00
LEAD				
Sterling per metric ton				
Spot	248.00	248.50	249.00	250.00
Forward	254.00	254.50	253.00	253.50
NICKEL				
Sterling per metric ton				
Spot	2580.00	2590.00	2630.00	2634.00
Forward	2640.00	2645.00	2675.00	2679.00
SILVER				
Pence per troy ounce				
Spot	332.00	334.00	337.00	338.00
Forward	341.00	342.00	345.00	346.00
ZINC				
Sterling per metric ton				
Spot	510.00	520.00	512.00	515.00

Source: AP.

Cash Prices

Commodity and Unit	Wed	Year Ago
Coffee 4 Santos, lb	[illegible]	1.34
Printcloth 64/30 38 ½, yd	[illegible]	0.68
Steel billets (Pitt.), ton	473.00	473.00
Iron 2 Fdry. Phila., ton	213.00	213.00
Steel scrap No 1 hvy Pitt.	70-71	70-71
Lead Spot, lb	[illegible]	21-24
Copper elect., lb	[illegible]	64-68
Tin (Straits), lb	n.a.	[illegible]
Zinc, E. St. L. Basis, lb	0.41	.47
Palladium, oz	111-113	[illegible]
Silver N.Y., oz	n.a.	[illegible]

Source: AP.

DM Futures Options

W. German Mark-125,000 marks, cents per mark

Strike Price	Calls-Settle Sep	Dec	Mar	Puts-Settle Sep	Dec
45	2.11	2.78	3.26	0.35	0.83
46	1.43	2.18	2.65	0.66	1.19
47	0.89	1.66	2.19	1.12	1.66
48	0.56	1.25	1.76	1.75	2.20
49	0.31	0.92	—	2.51	—

Estimated total vol. 11,491
Calls: Tue. vol. 5,031 open int. 50,773
Puts: Tue. vol. 3,803 open int. 39,420
Source: CME.

U.S. Treasuries

July 16

	Discount Bid	Offer	Yield
3-month bill	5.76	5.74	5.93
6-month bill	5.80	5.78	6.06
1-year bill	5.81	5.79	6.16

	Bid	Offer	Yield
30-yr. bond	101 23/32	101 25/32	7.11

Source: Salomon Brothers

Merrill Lynch Treasury index: 154.70
Change for the day: + 1.07
Average yield: 7.18 %
Source: Merrill Lynch.

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BUSINESS ROUNDUP

Associated Accepts Takeover by May

The Associated Press

NEW YORK — Associated Dry oods Corp. has agreed in princi le to be taken over by its persis nt suitor, May Department ores Co., in a stock swap valued $2.64 billion, the two retailers nounced Wednesday.

The merger would create one of e largest U.S. retailers.

Associated shareholders will re ive 0.86 of a May share for each their shares, the companies said. Based on the Tuesday closing ice of May's stock, the value uld amount to $64.3925 a share. t the value of the transaction will pend on the price of May's stock the day the merger is completed.

Associated has about 41 million common shares outstanding if all its preferred stock is converted into common stock and all options on its stock are exercised.

May closed at $74.875, down $3.75, in composite trading Tuesday on the New York Stock Exchange. Associated Dry Goods closed at $62, down $2.125.

The combined sales of Associated and May, about $9.413 billion, would rank the merged company as the fourth largest U.S. retailer.

May and Associated had negotiated for days, encountering difficulty in agreeing on how many May shares would be swapped for Associated shares. Associated's board had rejected two earlier formal offers from May as too low.

May said Monday it was complying with a request from the Federal Trade Commission for additional information concerning its earlier hostile $2.4-billion tender offer for Associated.

May launched its $60-a-share cash tender offer for 51 percent of Associated's common stock outstanding in late June. The offer, scheduled to expire July 24, was seen as a tactic to pressure Associated into accepting an earlier, friendly $66-a-share stock swap proposal from May with a total value of $2.7 billion.

Apple Reports Profit for 3d Quarter

Compiled by Our Staff From Dispatches

CUPERTINO, California — pple Computer Inc. reported dnesday a profit for its third arter, compared with a loss a r earlier, and Burroughs Corp. orted that its profit rose 41 per t in the second quarter.

Apple said earnings for its third rter, which ended June 27, were 3 million, compared with a loss $17.2 million for the same period ear ago.

Apple said net sales for the period were $448.3 million, an increase of 20 percent from $374.9 million in the same period a year earlier.

"These results are in line with our expectations," said John Sculley, Apple's chairman and chief executive officer. "We are beginning to see revenue growth as our Macintosh computer products gain acceptance in the business market."

The company also said gross margins as a percentage of net sales for the quarter were 52.7 percent, and 53.1 for the year to date. Last year, the gross margins for the same period were 41.2 and 40.6 percent, respectively.

A company spokesman said the improvement in gross margins partly reflected Apple's continued control of costs. Inventories totaled $100.3 million, a reduction of $136.5 million from the same quarter a year ago.

In Detroit, Burroughs reported net income of $76.2 million, or $1.61 per share, in the three months ending June 30, compared with $54.1 million, or $1.19 per share, a year earlier.

Sales totaled $962.3 million, up 13 percent from $851.9 million a year earlier, and revenues were $1.34 billion, up 9 percent from $1.23 billion in the second quarter of 1985.

Burroughs's chairman, W. Michael Blumenthal, said the company's financial rebound exceeded his expectations. "U.S. computer demand for our products and services improved over the lackluster levels experienced during the last five quarters," he said.

Revenue from sales of operations increased Burroughs's second-quarter earnings by $5.3 million, or 11 cents a share.

The income report did not reflect Burroughs' purchase of Sperry Corp. for $4.78 billion, which will create the second-largest U.S. computer manufacturer.

(AP, UPI)

Travelers Buys Dillon, Read at a Cost of $157.5 Million

New York Times Service

NEW YORK — Dillon, Read & , a 156-year-old name on Wall eet, is to be sold to the Travelers p. for $157.5 million, the com ies have announced.

he sale, announced Tuesday, mark the disappearance of yet ther private firm from Wall et, which was once dominated mall investment banking partships like Dillon, Read. Under ence Dillon, who added his e to the house in 1921, it helped d such U.S. industrial giants as dyear Tire & Rubber Co.

ut as the securities markets e mushroomed and have grown e volatile and global, smaller s have been forced to build up e pools of capital to compete.

illon, Read ranked 32d in the rities industry in 1985, with ut $90 million in capital.

However, it agreed to pay out about $25 million of that in February, according to sources, when its largest shareholder, the Bechtel family, sold back to the firm a 30-percent holding. The sale to Travelers will help to replace that capital.

The firm was one of the last remaining major private investment banks. Kidder, Peabody & Co., another old firm, recently sold out to General Electric Co., and 50 percent of Wertheim & Co., formed in the 1920s, was bought by a British merchant bank.

More than a half-dozen insurers, from Prudential to the Equitable Life Assurance Society of America to John Hancock, have acquired securities firms to broaden the financial services they offer and to gain additional investment expertise.

MPANY NOTES

arter Hawley Hale Inc. of Los Angeles is considering selling its Philadelphia-based John Wanamaker artment store subsidiary. The company said the would be a way of strengthening its balance sheet devoting resources to its other retailing operas. Wanamaker had sales of $450 million in fiscal 5.

ee Corp PLC's HSG Holdings Inc. unit has agreed uy M & H Sporting Goods for $66.6 million in . Completion is expected in early August. M & H ld be integrated into Hermans Sporting Goods , which Dee bought earlier this year. M & H, based alt Lake City, operates 41 stores in five Western es. Its 1985 sales amounted to $106 million.

lexible Computer Corp. and C. Itoh & Co. Ltd., a yo-based trading company, have signed an agreet under which C. Itoh will sell and service Flexi products in Japan, beginning in the third quarter 986. C. Itoh's subsidiary, C. Itoh Techno-Science will market the Flex/32 multicomputer in Japan.

ockums B has sold China a steelworks at Ronneby in southern Sweden for an undisclosed sum. The plant, which was closed last September, will be dismantled and shipped to the province of Fujian. The buyer, China International Steel, estimates that it will be able to produce 250,000 metric tons (226,750 short tons) of steel a year at the plant.

Matra Transit Inc. U.S., a subsidiary of Matra of France, signed a $95.2-million contract to build an elevated subway system at Chicago's O'Hare International Airport. The selection of the French company to build most of the $137.8-million project was previously announced. The system, known as the "people mover," is part of a $1.6-billion improvement.

Niagara Mohawk Power Corp. and four other utilities have accepted an offer by the Public Service Commission to charge customers up to $4.16 billion for building the Nine Mile Point 2 nuclear plant in New York state. The agreement confirms a revised plan the commission devised last month to limit allowable construction costs to $4.16 billion.

French Officials View CGE-ITT Plan Favorably

Reuters

PARIS — The French Ministry of Industry views favorably a proposed joint venture between the government-owned Cie. Générale d'Electricité and ITT Corp. but is still examining financial details, officials said Wednesday.

CGE and ITT announced at the beginning of July that they had agreed to join their telecommunications businesses. They plan to set up a new company, 30 percent owned by ITT and 70 percent by a European holding company, with annual sales of $9.6 billion.

The agreement requires the French government's approval.

"In the first analysis, the CGE-ITT deal is excellent," a ministry spokesman said Wednesday. But the government is still looking at the impact of the agreement on CGE's profitability.

The ministry spokesman said talks on the future of France's second government-owned telecommunications company, Cie. Générale de Construction Téléphonique, would not delay a decision on CGE-ITT beyond the end of July. He said the government was confident of finding a foreign partner for the unprofitable CGCT, which would prevent a CGE-ITT monopoly of the French market.

BUSINESS PEOPLE

Former White Chairman Takes Helm at NACCO

United Press International

CLEVELAND — The former chairman of White Consolidated Industries Inc., who resigned shortly after it was purchased by Sweden's Electrolux AB, has been named president and chief executive officer of NACCO Industries Inc.

Ward Smith, 55, who worked 20 years for White, will take over for Otes Bennett Jr., 64, on Sept. 8.

Mr. Bennett is to keep his title as chairman of NACCO and chairman and chief executive officer of North American Coal Corp., a subsidiary with operations in Ohio, North Dakota and Texas.

Mr. Smith also is expected to be elected chairman of Yale Materials Handling Corp., an 85 percent-owned subsidiary that makes forklift trucks.

Mr. Smith was elected president and chief administrative officer of White in 1976, chief operating officer in 1984 and chief executive officer in 1985. He resigned shortly after Electrolux acquired White, the No. 3 U.S. appliance maker.

Martin Marietta Corp. of Bethesda, Maryland, said J. Richard Cook, a company vice president and senior manager of major space development programs, has been named to head its space station proposal team. The company said that another vice president, James W. McCown, has been named deputy director of the program.

Energy Assets International Corp. said that as part of a corporate reorganization, it had elected Reuben W. Askanase as chairman, replacing Hart Perry. J. Fred Hofheinz was named president, chief executive officer and chief financial officer, replacing Michael G. Rafferty Jr.

Morrison Inc. said its president, E.E. Bishop, has been named chairman, succeeding David R. Cowart, who is retiring. S.E. Beall 3d, an executive vice president, has been named president and chief operating officer.

Pentair Inc. said it named D. Eugene Nugent, chief executive officer, to the additional post of chairman. He succeeds Murray J. Harpole, who will remain a director and an advisor to the company until he retires in October.

EMK Inc. said Joseph F. Miller had been named to the new post of executive vice president and chief operating officer. He had been a consultant on the sales and marketing of consumer beverages.

Coca-Cola USA said that John C. Reid had been named senior vice president for marketing, replacing Sergio Zyman, who resigned. Mr. Reid was vice president for marketing in the fountain department. Mr. Zyman, who was involved in the highly successful "Coke Is It" campaign and the controversial introduction of new Coke, plans to lead a Mexican private investment group, the company said.

General Felt Industries Inc. of New York said Marshall S. Cogan has been named chairman and chief executive officer. He previously shared those positions with Steven Swid, who has resigned from the board.

Arch Petroleum Inc. said Lawrence Kalas, an executive vice president, has been named president, succeeding W. Ray Vowel. The company said that Mr. Vowel will remain on the board and become a company consultant.

Fundamental Brokers Inc., a large broker of U.S. government bonds, said it has named Edward Geng as president. He is to leave his position as senior vice president at the Federal Reserve Bank of New York.

FDIC Assumes Large Risk In Oklahoma Bank Failure

By Nicholas D. Kristof
New York Times Service

LOS ANGELES — The travails of one of Oklahoma's biggest banks, which collapsed Monday and reopened Tuesday under new ownership, could cost the Federal Deposit Insurance Corp. hundreds of millions of dollars.

The new owner, First Interstate Bancorp of Los Angeles, entered a new state with the purchase of First National Bank & Trust Co. of Oklahoma City. And it apparently did so well-protected from financial risk, because of generous government inducements.

The episode illustrates the costs of the slump in Oklahoma and other states heavily dependent on oil and gas and agriculture.

In a region with many troubled banks, First National of Oklahoma, with $1.6 billion in assets, was considered to have some of the most severe problems. Other institutions have reported big losses, but most maintained reserves well above federal minimums.

First National's failure was the second-largest bank failure in U.S. history, after Franklin National Bank, which collapsed in 1974 with assets of $3.6 billion. Near failures include that of Continental Illinois National Bank.

The FDIC said it had assumed $418 million in troubled loans of First Oklahoma. Also, according to two sources familiar with the transaction, First Interstate has the right, if other loans sour during a 14-month period, to turn over an additional $250 million in problem loans to the FDIC in exchange for their face value or a bit less.

Any repayments on the loans would reduce the FDIC's losses, and the agency will receive from First Interstate a special issue of preferred stock with a dividend based on the operating results of the Oklahoma unit. If the unit eventually does well, the FDIC could recoup some losses.

The FDIC is also paying First Interstate $72 million to take over First Oklahoma. For First Interstate, "it looks as if they're going in on a risk-free basis," said Donald K. Crowley, an analyst at Keefe, Bruyette & Woods, a securities firm that specializes in bank stocks. "It's not a glamorous state, but in the long run it could be good to be there."

First Interstate already owns 22 banks in 11 Western states, but had none in Oklahoma or Texas.

The FDIC announced the failure of First Oklahoma and its acquisition by First Interstate Monday in Washington. The agency faced a midnight expiration of federal banking statutes that permit certain out-of-state takeovers. Analysts said that deadline may have helped First Interstate win concessions from the agency. First Interstate, and other banking companies, had submitted bids some weeks ago to acquire First Oklahoma.

The FDIC, possibly worried about criticism that it had been too generous, stipulated in the agreement that information about the arrangements should come from it. Joseph J. Pinola, chairman of First Interstate, declined in an interview to comment on the takeover, except to say that both the FDIC and First Interstate had fared well.

First Interstate will have to inject capital into the bank, which it reopened Tuesday under the name First Interstate Bank of Oklahoma City. If loan problems continue to increase sharply, the transaction could prove troublesome for First Interstate. However, the option to turn over an additional $250 million in loans reduces that threat, and Mr. Pinola said he believed that Oklahoma's economy would mend. Current oil prices, he said, are too low to be sustained.

In another unusual feature of the rescue of First Oklahoma, the FDIC entered into an incentive compensation plan with First Interstate covering the troubled loans that the agency is retaining. For each of these loans that the bank succeeds in converting to cash, it will receive a fee, according to regulatory sources in Washington.

NOTICE OF REDEMPTION
AND TERMINATION OF CONVERSION RIGHTS

To the Holders of

ITO-YOKADO CO., LTD.

(Kabushiki Kaisha Ito-Yokado) (the "Company")

5¾% Convertible Debentures Due August 31, 1993 (the "Debentures")

NOTICE IS HEREBY GIVEN, that the following coupon Debentures and the principal amount indicated below of the following registered Debentures of the Company have been drawn for redemption on August 31, 1986 (the "Redemption Date") for account of the Sinking Fund at a Redemption Price (the "Redemption Price") of 100% of the principal amount thereof.

SERIAL NUMBERS OF COUPON DEBENTURES BEARING THE PREFIX M

10218	16659	29904	32704	42269	48822	48939	49097	49211	49349	49451	49583	49721
10231	16663	29908	32709	42277	48834	48947	49098	49253	49350	49456	49590	49724
10234	16671	29910	32717	42284	48838	48963	49108	49254	49353	49480	49592	49750
10304	16677	29916	32739	42285	48840	48969	49115	49262	49358	49485	49631	49752
10309	16684	29922	32924	48736	48841	48972	49122	49267	49365	49489	49637	49757
12764	16697	29926	32934	48765	48847	48976	49134	49273	49394	49492	49641	
16511	16702	29930	32992	48768	48853	49004	49135	49281	49399	49500	49650	
16516	16713	29938	41862	48777	48867	49020	49138	49287	49401	49520	49651	
16522	16727	29950	42036	48791	48871	49026	49144	49299	49408	49529	49656	
16530	29224	32815	42043	48792	48908	49031	49145	49302	49412	49533	49658	
16536	29233	32817	42045	48793	48910	49044	49148	49317	49427	49546	49669	
16540	29237	32821	42053	48795	48912	49065	49149	49324	49429	49556	49676	
16638	29245	32891	42054	48805	48923	49082	49153	49329	49438	49560	49678	
16645	29247	32896	42058	48808	48933	49089	49156	49331	49445	49571	49689	
16646	29249	32898	42065	48811	48936	49090	49162	49335	49449	49576	49701	

FULLY REGISTERED DEBENTURES

Serial Number	Principal Amount to be Redeemed	Serial Number	Principal Amount to be Redeemed	Serial Number	Principal Amount to be Redeemed	Serial Number	Principal Amount to be Redeemed	Serial Number	Principal Amount to be Redeemed
RM 545	$ 1,000	RV 412	$1,000	RV 1111	$3,000	RX 1187	$1,000	RX 1351	$1,000
RM 551	1,000	RV 416	1,000	RV 1112	2,000	RX 1189	1,000	RX 1352	1,000
RM 1007	1,000	RV 418	1,000	RV 1113	1,000	RX 1191	2,000	RX 1353	1,000
RM 1487	1,000	RV 419	1,000	RV 1114	2,000	RX 1192	2,000	RX 1355	2,000
RM 1489	1,000	RV 420	1,000	RV 1116	1,000	RX 1193	1,000	RX 1357	1,000
RM 1474	1,000	RV 421	2,000	RV 1117	2,000	RX 1194	1,000	RX 1358	1,000
RM 1650	1,000	RV 422	1,000	RV 1118	1,000	RX 1195	1,000	RX 1362	1,000
RM 1655	1,000	RV 423	1,000	RV 1120	1,000	RX 1196	1,000	RX 1363	2,000
RM 1669	1,000	RV 424	1,000	RV 1121	1,000	RX 1197	2,000	RX 1365	2,000
RM 1676	1,000	RV 425	1,000	RV 1122	2,000	RX 1198	1,000	RX 1366	1,000
RM 1677	1,000	RV 428	2,000	RV 1123	1,000	RX 1199	2,000	RX 1367	1,000
RM 1687	1,000	RV 434	1,000	RV 1126	3,000	RX 1215	2,000	RX 1368	2,000
RM 1737	1,000	RV 435	1,000	RV 1127	1,000	RX 1217	3,000	RX 1370	1,000
RM 1738	1,000	RV 436	1,000	RV 1130	2,000	RX 1218	1,000	RX 1371	1,000
RM 1748	1,000	RV 452	2,000	RV 1135	1,000	RX 1219	1,000	RX 1372	1,000
RM 1756	1,000	RV 453	2,000	RV 1136	1,000	RX 1221	2,000	RX 1375	1,000
RM 1760	1,000	RV 454	1,000	RV 1139	1,000	RX 1223	3,000	RX 1376	2,000
RM 1762	1,000	RV 456	1,000	RV 1141	2,000	RX 1224	2,000	RX 1377	1,000
RM 1767	1,000	RV 457	2,000	RV 1144	1,000	RX 1225	1,000	RX 1379	2,000
RM 1768	1,000	RV 458	1,000	RV 1145	1,000	RX 1227	2,000	RX 1381	2,000
RM 1773	1,000	RV 556	1,000	RV 1147	1,000	RX 1228	1,000	RX 1383	2,000
RM 1785	1,000	RV 568	2,000	RV 1149	1,000	RX 1229	2,000	RX 1385	1,000
RM 1796	1,000	RV 576	1,000	RV 1151	1,000	RX 1230	1,000	RX 1386	3,000
RM 1805	1,000	RV 579	3,000	RV 1153	1,000	RX 1231	2,000	RX 1388	1,000
RM 1807	1,000	RV 580	1,000	RV 1154	1,000	RX 1232	3,000	RX 1389	1,000
RM 1837	1,000	RV 581	1,000	RV 1155	1,000	RX 1233	2,000	RX 1391	1,000
RM 1843	1,000	RV 594	1,000	RV 1157	1,000	RX 1234	4,000	RX 1393	1,000
RM 1850	1,000	RV 598	1,000	RV 1158	2,000	RX 1236	1,000	RX 1396	5,000
RM 1853	1,000	RV 603	2,000	RV 1159	1,000	RX 1238	1,000	RX 1397	1,000
RM 1854	1,000	RV 604	1,000	RV 1161	1,000	RX 1241	2,000	RX 1398	2,000
RM 1856	1,000	RV 605	2,000	RV 1163	2,000	RX 1242	1,000	RX 1401	1,000
RM 1861	1,000	RV 606	1,000	RV 1164	1,000	RX 1243	2,000	RX 1402	3,000
RM 1877	1,000	RV 607	1,000	RV 1166	1,000	RX 1244	1,000	RX 1404	2,000
RM 1879	1,000	RV 615	1,000	RV 1167	2,000	RX 1245	3,000	RX 1405	1,000
RM 1886	1,000	RV 621	1,000	RV 1168	1,000	RX 1246	1,000	RX 1407	1,000
RM 1900	1,000	RV 622	3,000	RV 1169	1,000	RX 1247	2,000	RX 1408	1,000
RM 1901	1,000	RV 626	2,000	RV 1170	1,000	RX 1248	1,000	RX 1409	1,000
RM 1902	1,000	RV 629	1,000	RV 1172	1,000	RX 1249	4,000	RX 1410	4,000
RM 1907	1,000	RV 630	1,000	RV 1174	1,000	RX 1250	2,000	RX 1411	2,000
RM 1910	1,000	RV 631	1,000	RV 1175	1,000	RX 1251	2,000	RX 1414	3,000
RM 1913	1,000	RV 632	2,000	RV 1176	1,000	RX 1253	2,000	RX 1415	2,000
RM 1942	1,000	RV 744	1,000	RV 1178	1,000	RX 1255	2,000	RX 1417	1,000
RM 1956	1,000	RV 745	1,000	RV 1180	2,000	RX 1256	1,000	RX 1419	2,000
RM 1962	1,000	RV 747	1,000	RV 1181	1,000	RX 1258	1,000	RX 1424	1,000
RM 1963	1,000	RV 748	1,000	RV 1183	1,000	RX 1259	1,000	RX 1425	2,000
RM 1985	1,000	RV 844	1,000	RV 1186	1,000	RX 1260	1,000	RX 1426	2,000
RM 1997	1,000	RV 969	1,000	RV 1188	1,000	RX 1261	1,000	RX 1427	1,000
RM 2000	1,000	RV 970	1,000	RV 1190	1,000	RX 1263	2,000	RX 1428	1,000
RM 2012	1,000	RV 971	2,000	RV 1191	1,000	RX 1274	3,000	RX 1431	1,000
RM 2035	1,000	RV 972	1,000	RV 1193	1,000	RX 1275	2,000	RX 1432	1,000
RM 2040	1,000	RV 973	1,000	RV 1195	1,000	RX 1276	1,000	RX 1433	1,000
RM 2041	1,000	RV 974	1,000	RV 1199	1,000	RX 1277	1,000	RX 1434	2,000
RM 2084	1,000	RV 976	1,000	RV 1200	2,000	RX 1278	1,000	RX 1435	1,000
RM 2088	1,000	RV 977	1,000	RV 1201	2,000	RX 1280	2,000	RX 1438	2,000
RM 2092	1,000	RV 1015	1,000	RV 1202	1,000	RX 1282	2,000	RX 1439	1,000
RM 2093	1,000	RV 1016	1,000	RV 1203	1,000	RX 1283	1,000	RX 1440	1,000
RM 2096	1,000	RV 1017	3,000	RV 1206	1,000	RX 1286	2,000	RX 1441	2,000
RM 2097	1,000	RV 1018	2,000	RV 1209	1,000	RX 1287	3,000	RY 481	5,000
RM 2099	1,000	RV 1020	1,000	RV 1211	1,000	RX 1290	2,000	RY 482	4,000
RM 2104	1,000	RV 1031	1,000	RV 1213	1,000	RX 1291	2,000	RY 484	3,000
RM 2119	1,000	RV 1032	1,000	RV 1214	2,000	RX 1294	1,000	RY 485	1,000
RM 2122	1,000	RV 1034	1,000	RV 1219	1,000	RX 1296	2,000	RY 486	3,000
RM 2124	1,000	RV 1035	1,000	RV 1220	1,000	RX 1297	2,000	RY 487	1,000
RM 2125	1,000	RV 1036	1,000	RV 1226	1,000	RX 1298	1,000	RY 488	2,000
RM 2128	1,000	RV 1037	1,000	RV 1227	1,000	RX 1299	2,000	RY 492	4,000
RM 2135	1,000	RV 1039	2,000	RV 1232	1,000	RX 1302	4,000	RY 493	3,000
RM 2151	1,000	RV 1040	2,000	RV 1233	1,000	RX 1303	2,000	RY 494	4,000
RU 206	10,000	RV 1045	1,000	RV 1234	2,000	RX 1306	1,000	RY 622	4,000
RU 207	5,000	RV 1046	2,000	RV 1236	1,000	RX 1307	1,000	RY 623	5,000
RU 208	3,000	RV 1048	1,000	RV 1237	1,000	RX 1308	4,000	RY 682	4,000
RU 209	5,000	RV 1049	1,000	RV 1238	1,000	RX 1310	1,000	RY 683	5,000
RU 239	7,000	RV 1050	1,000	RV 1243	1,000	RX 1311	2,000	RY 684	3,000
RU 260	1,000	RV 1051	1,000	RV 1245	1,000	RX 1312	2,000	RY 685	1,000
RU 273	4,000	RV 1052	2,000	RV 1248	2,000	RX 1313	2,000	RY 686	1,000
RU 283	2,000	RV 1057	1,000	RV 1250	1,000	RX 1314	3,000	RY 687	2,000
RU 287	5,000	RV 1059	1,000	RV 1251	1,000	RX 1316	2,000	RY 708	5,000
RU 301	5,000	RV 1060	2,000	RV 1252	1,000	RX 1317	1,000	RY 719	6,000
RU 302	3,000	RV 1061	1,000	RV 1254	1,000	RX 1318	2,000	RY 720	3,000
RU 303	7,000	RV 1062	2,000	RX 385	3,000	RX 1319	1,000	RY 727	1,000
RU 307	3,000	RV 1064	1,000	RX 387	4,000	RX 1320	1,000	RY 728	5,000
RU 311	113,000	RV 1067	1,000	RX 398	2,000	RX 1321	1,000	RY 729	1,000
RU 315	7,000	RV 1069	2,000	RX 399	4,000	RX 1322	2,000	RY 730	1,000
RU 366	3,000	RV 1071	1,000	RX 637	1,000	RX 1323	1,000	RY 731	2,000
RU 367	7,000	RV 1074	1,000	RX 638	1,000	RX 1324	2,000	RY 732	2,000
RU 374	6,000	RV 1078	1,000	RX 640	1,000	RX 1325	2,000	RY 733	5,000
RU 380	10,000	RV 1081	1,000	RX 1008	1,000	RX 1326	1,000	RY 734	5,000
RU 384	6,000	RV 1082	1,000	RX 1030	1,900	RX 1327	2,000	RY 735	1,000
RU 385	7,000	RV 1083	1,000	RX 1031	1,000	RX 1329	2,000	RY 736	3,000
RU 386	5,000	RV 1085	2,000	RX 1037	1,000	RX 1331	1,000	RY 737	5,000
RU 401	11,000	RV 1086	1,000	RX 1094	2,000	RX 1332	3,000	RY 742	5,000
RU 409	3,000	RV 1087	2,000	RX 1096	2,000	RX 1334	3,000	RY 743	2,000
RU 441	183,000	RV 1088	1,000	RX 1098	3,000	RX 1335	1,000	RY 822	6,000
RU 493	17,000	RV 1089	2,000	RX 1170	2,000	RX 1336	2,000	RY 940	5,000
RU 504	9,000	RV 1091	1,000	RX 1174	1,000	RX 1337	2,000	RY 941	4,000
RU 505	5,000	RV 1095	2,000	RX 1175	1,000	RX 1338	2,000	RY 942	2,000
RU 506	5,000	RV 1096	1,000	RX 1176	1,000	RX 1340	3,000	RY 943	4,000
RU 507	5,000	RV 1098	1,000	RX 1177	1,000	RX 1341	2,000	RY 944	2,000
RU 508	3,000	RV 1099	1,000	RX 1178	2,000	RX 1343	3,000	RY 1284	1,000
RU 509	11,000	RV 1101	1,000	RX 1179	1,000	RX 1344	1,000	RY 1285	5,000
RU 510	4,000	RV 1102	1,000	RX 1180	1,000	RX 1346	1,000	RY 1286	1,000
RU 511	5,000	RV 1104	2,000	RX 1182	1,000	RX 1347	2,000	RY 1287	3,000
RU 512	6,000	RV 1106	1,000	RX 1183	2,000	RX 1349	1,000		
RU 513	6,000	RV 1110	2,000	RX 1185	1,000	RX 1350	2,000		

Payment of the Redemption Price will be made upon presentation and surrender of the Debentures called for redemption in whole or in part (in the case of coupon Debentures, together with all coupons appertaining thereto maturing after August 31, 1986), on or after September 2, 1986 at the Corporate Trust Office of The Bank of Tokyo Trust Company in New York City, 100 Broadway, New York, N.Y. 10005 or at the principal office in the city indicated of any of the following Paying Agents: The Bank of Tokyo Trust Company in London; The Bank of Tokyo, Ltd. in Brussels; Morgan Guaranty Trust Company of New York in Brussels.

Upon surrender of Debentures to be redeemed in part only, a new Debenture or Debentures in principal amount equal to the unredeemed portion will be issued.

From and after the Redemption Date, interest on the Debentures, or portion thereof, to be redeemed for this Sinking Fund will cease to accrue. Interest maturing on August 31, 1986 will be paid in the usual manner.

CONVERSION OF DEBENTURES INTO COMMON STOCK

The Debentures may be converted into Common Stock of the Company or, at the option of the holders, into American Depositary Receipts, at the conversion price (with Debentures taken at their principal amount translated into Japanese yen at the rate Yen 213.50 equals U.S. $1) of Yen 682.30 per share of Common Stock. The Company's Common Stock and American Depositary Receipts are issuable only in Units of 1,000 shares of Common Stock or integral multiples thereof. A cash adjustment will be made for any fraction of a Unit.

Each Debentureholder who wishes to convert his Debentures should deposit his Debentures (in the case of coupon Debentures, together with all unmatured coupons) and a written notice to convert (the form of which notice is available from any of the following) with Morgan Guaranty Trust Company of New York, at its corporate trust office in New York City, 30 West Broadway, New York, N.Y. 10015 or with any of the Paying Agents' offices specified above. SUCH CONVERSION RIGHTS WILL TERMINATE AT THE CLOSE OF BUSINESS ON AUGUST 28, 1986 AS TO ALL DEBENTURES OR PORTIONS THEREOF REDEEMABLE ON THE REDEMPTION DATE. BASED ON THE CONVERSION PRICE OF YEN 682.30 PER SHARE, A CLOSING PRICE OF YEN 3,960 FOR THE COMMON STOCK ON THE TOKYO STOCK EXCHANGE ON JULY 7, 1986, AND A CURRENT RATE OF EXCHANGE ON JULY 7, 1986 OF YEN 159.15 = U.S. $1, THE HOLDER OF A DEBENTURE IN THE PRINCIPAL AMOUNT OF U.S.$1,000 CONVERTING ON THAT DATE WOULD HAVE RECEIVED UNITS (TOGETHER WITH A CASH ADJUSTMENT FOR A FRACTION OF A UNIT) HAVING A VALUE OF U.S.$7,785.93. THE U.S. DOLLAR EQUIVALENT OF CONVERSION ON A LATER DATE WILL BE AFFECTED BY CHANGES IN THE PRICE OF THE COMMON STOCK AND IN THE RATE OF EXCHANGE, AND BY ANY ADJUSTMENT OF THE CONVERSION PRICE.

ITO-YOKADO CO., LTD.
By: The Bank of Tokyo Trust Company *as Trustee*

July 17, 1986

INTERNATIONAL CLASSIFIED

(Continued from Back Page)

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Wednesday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Via The Associated Press

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
A										
6¾	1½	ADI				56	2¼	1⅞	1⅞	
16¼	8¾	AL Labs			24	26	15⅛	14¾	14⅞	+ ⅛
16¼	10¼	AMC s	.10	.7	26	26	13½	13½	13½	+ ⅛
8⅞	3¼	AM Intl			11	622	7⅛	6⅞	7	
30¾	25⅝	AM Int pf	2.00	7.1		192	28⅛	28	28	
4	2⅝	AOI n			15	70	3	2⅞	3	+ ⅛
116½	78	ATT Fd	5.67e	5.1		66	111⅝	111¼	111¼	— ⅛
12⅞	9½	AcmeU	.32	3.2	31	8	10	9⅞	10	+ ⅛
15⅝	10⅛	Action			14	133	11⅞	11⅛	11⅛	— ⅛
3¼	1⅛	Acton				61	2	1⅞	1⅞	— ⅛
4¼	1⅞	AdmRs			28	80	2½	2⅜	2½	+ ⅛
21½	11¾	AdRust	.16b	.8	25	445	20¼	19¼	19¼	— ⅞
62	28¼	AfilPb s	.44	.8	32	211	56¼	55⅝	55¾	
12	5⅛	AirExp				6	9⅝	9⅛	9⅝	
12	7⅛	AirCal				42	7⅝	7⅛	7⅝	
13⅞	10	ArCal pf	1.20	10.4		128	11½	11	11½	+ ⅜
1⅜	⅛	Alamco			7	131	⅜	⅜	⅜	
9⅞	5⅛	AlbaW				18	8⅝	8⅜	8⅝	
40	8½	Alfin s			29	88	22¾	21¾	22¼	— ⅛
27	6⅞	Aloha			15	11	20⅛	20	20	+ ⅛
13¼	8	Alphaln				82	9⅞	9¼	9⅞	+ ¼
11⅜	3⅛	AlpinGr			19	1147	8	6⅞	8	+ ⅜
⅝	¼	Altex n				34	⅜	⅜	⅜	
44¼	32½	Alcoa pf	3.75	9.0		250z	41½	41	41½	
26¼	10¼	Alza s			54	1575	21¾	21⅛	21½	+ ⅛
5⅝	2	AmBrlt	.08	1.7		14	4⅞	4⅜	4⅝	
18½	10⅛	Amdahl	.20	1.2	30	2481	17¼	16½	16⅞	+ ⅜
15⅝	5⅛	Amedco	.08	.6		147	13⅜	13	13¼	+ ⅛
15½	9¾	AmBilt	.15	1.0	9	3	14¾	14¾	14¾	— ⅛
17	13¼	AmCbl n				65	15⅛	14⅞	15	+ ⅜
8⅞	5⅝	AmCap			19	40	7⅝	7	7½	+ ⅛
65¼	44¼	AContrl	1.20	1.9	14	5	64½	63⅝	63⅝	— ⅜
5½	3⅛	AExFF wt				273	4⅛	4⅛	4⅛	
15⅝	4½	AFrucA				83	19200z	14⅛	13⅞	14⅛
14¾	4¾	AFrucB				82	5100z	14⅛	14	14
9½	3⅝	AHlthM				10	22	5	4⅞	4⅞
14⅜	6¼	Alsrael	.30e	2.3	6	3	12⅞	12⅞	12⅞	
21⅝	11⅞	AMzeA	.52	2.5		131	21⅛	20¾	20⅞	— ⅛
20¾	12¼	AMzeB	.52	2.6		12	20⅜	20⅛	20⅜	
7¼	2⅝	AMBld				363	3⅞	3⅜	3⅝	
4¾	2¾	AmOil				14	3⅜	3⅜	3⅜	+ ⅛
59⅞	38⅜	APetf		4.3		5	46½	46¼	46¼	
14¼	8	APrec s	.18	1.3	40	47	14⅛	14	14⅛	
15½	3½	AmRoyl	.711		2	113	4	3⅞	4	+ ⅛
13⅜	3½	AScIE			32	177	7	6⅜	6¾	+ ⅛
10½	6¼	ATechC				37	7¼	6⅞	7	
61¼	49	A xon un	3.55	6.1		3	58⅛	58⅛	58½	+ ½
52	44	A xon pr	3.55	7.1		110	50	49½	50	+ ⅛
11	5½	A xon sc				32	8⅝	8⅜	8⅝	
10⅞	9⅞	Amrcr n			21	29	10	9⅞	10	
3	1⅞	Ampal	.06	2.4	11	38	2½	2½	2½	+ ⅛
16	5⅛	Andal			23	107	13½	13	13⅜	+ ⅜
3⅛	1¾	AndJcb				37	2⅛	2⅛	2⅛	
15⅝	8⅝	Andrea	.72	5.4	31	4	13⅜	13¼	13¼	— ⅛
15⅝	5⅞	Angeles				11	10	10	10	
19⅝	16½	AnglF n	1.10e	6.5		3	16⅞	16⅞	16⅞	— ⅛
1⅞	⅜	vlAnglo v				300	⅜	⅜	⅜	+ ⅛
11⅛	5½	Arley			13	77	9½	9⅜	9⅜	— ⅛
7⅝	3⅞	Armtrn				5	5	5	5	+ ⅛
9½	4⅛	Armel				78	7⅛	6⅞	6⅞	— ⅜
12	7⅞	ArrowA	.20	2.1	39	12	9⅝	9½	9⅝	+ ⅛
26½	17½	Arundl			11	3	24¼	23⅞	24¼	+ ⅛
10	5½	Asmr g	.20	3.4	45	71	5⅞	5⅝	5⅞	+ ⅛
17⅞	9¼	Astrex			8	1	9½	9½	9½	+ ⅛
3⅛	⅞	Astrotc				402	1⅜	1⅛	1⅜	
16⅝	12	Astrot pf	1.80	13.0		8	14	13⅞	13⅞	— ⅛
1⅛	⅜	AtlsCM				70	½	⅜	½	

AMEX Highs-Lows

NEW HIGHS 4

JumpJack SCE orp pfA ... WebcorEl

NEW LOWS 26

BeldenBlke, CondoWneA n, ... DamsEnerv A, DamsEnerv B, DickenMnA ..., DirectAcln, HlthMat n, Iroquois Bd, ..., LortCo, Moog B, Moog A, ..., Salem Corp, SandyCp n, SlatexPtr pf, ..., VHTHalt n, WTC Intl, WangLabB, ..., Weldtron

Malaysia Relaxes Curbs

Reuters

KUALA LUMPUR, Malaysia — Malaysia's central bank, Bank Negara, said Wednesday that existing shareholders now can retain as much as a 51-percent stake in financial institutions, from 5 percent previously. A spokesman said that the ruling was relaxed to encourage majority shareholders to dispose of part of their stakes because many were reluctant to do so under the former ruling.

Floating-Rate Notes

July 16

Dollars · Pounds Sterling · Deutsche Mark · E.C.U. · Japanese Yen

Source: Credit Suisse-First Boston Ltd, London.

BANQUE SUDAMERIS

U.S.$30,000,000 Floating Rate Notes due 1987

For the six month period 15th July, 1986 to 15th January, 1987 the Notes will bear an interest rate of 6¹⁵⁄₁₆% per annum. Interest payable on 15th January, 1987.

Bankers Trust Company, London — Agent Bank

Retail Sales Fall in Canada

Reuters

OTTAWA — Canada's seasonally adjusted retail sales fell 0.2 percent in May, to 11.54 billion Canadian dollars ($8.39 billion) from April's upward-revised total of 11.56 billion dollars, Statistics Canada said Wednesday.

Weekly net asset value

Tokyo Pacific Holdings N.V.

on July 14, 1986: U.S. $191.38

Listed on the Amsterdam Stock Exchange

Information: Pierson, Heldring & Pierson N.V., Herengracht 214, 1016 BS Amsterdam.

ADVERTISEMENT

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 16 July 1986

Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price. The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (r) - regularly; (i) - irregularly.

Fund	Value
AL MAL MANAGEMENT	
-(w) Al-Mal Trust, S.A.	$ 233.90
BANK JULIUS BAER & CO. Ltd.	
-(d) Baerbond	SF 931.70
-(d) Conbar	SF 1476.00
-(d) Equibaer America	$ 1288.00
-(d) Equibaer Europe	SF 1532.00
-(d) Equibaer Pacific	SF 1383.00
-(d) Grobar	SF 1131.00
-(d) Stockbar	SF 1778.00
BAII MULTICURRENCY	
-(r) Multicurrency US$	$ 1090.51
-(r) Multicurrency Ecu	ECU 1057.67
-(r) Multicurrency Yen	YEN 205,778.00
BNP INTERFUNDS	
-(w) Interbond Fund	$ 158.76*
-(w) Intercurrency US$	$ 10.44*
-(w) Intercurrency DM	DM 30.28*
-(w) Intercurrency Sterling	£ 10.02*
-(w) Interequity Pacific Offer	$ 15.14
-(w) Interequity N. Amer. Offer	$ 11.41
BANQUE INDOSUEZ	
-(d) Asian Growth Fund	$ 16.87
-(w) Diverbond	SF 87.10
-(w) FIF-America	$ 20.81
-(w) FIF-Europe	$ 23.25
-(w) FIF-International	$ 15.18
-(w) FIF-Pacific	$ 28.51
-(w) Indosuez Multibonds A	$ 128.74
-(w) Indosuez Multibonds B	$ 224.89
-(d) Indosuez USD (M.M.F.)	$ 1082.94
BRITANNIA, POB 271, St. Helier, Jersey	
-(w) Brit. Dollar Income	$ 0.904*
-(w) Brit. $ Manag. Curr.	$ 12.04*
-(d) Brit. Int'l. $ Manag. Portf.	$ 1.508
-(d) Brit. Int'l. £ Manag. Portf.	£ 149.9
-(d) Brit. Am. Inc. & Fd Ltd.	$ 1.232*
-(w) Brit. Gold Fund	$ 0.585
-(w) Brit. Manag. Currency	£ 16.50
-(d) Brit. Japan Dir Perf. Fd.	$ 2.394
-(w) Brit. Jersey Gilt Fund	£ 0.227
-(d) Brit. Okasan Glob. $	$ 11.50
-(d) Brit. World Leis. Fund	$ 1.577
-(d) Brit. World Techn. Fund	$ 0.929
BROADGATE INTERNATIONAL FUND	
-(d) $ Money Market	$ 10.48
-(d) Non-$ Money Market	DM 24.68
-(w) $ Bond	$ 11.03
-(w) Non-$ Bond	DM 28.15
-(w) Global Equity	$ 12.31
-(w) Global Bond	$ 10.09
-(w) Global Bond & Equity	$ 10.01
CAPITAL INTERNATIONAL	
-(w) Capital Int'l Fund	$ 89.04
-(w) Capital Italia SA	$ 29.69
CITICORP INVESTMENT BANK (Lux.)	
POB 1373 Luxembourg Tel. 477.95.71	
(d) Citinvest Ecu	ECU 1090.78
(d) Citinvest Liquidity	$ 1057.48
(d) Citinvest Manag. Growth	$ 1003.77
CREDIT SUISSE (ISSUE PRICES)	
-(d) Actions Suisses	SF 471.50
-(d) Bond Valor Swf	SF 108.00
-(d) Bond Valor D-mark	DM 112.40
-(d) Bond Valor US-DOLLAR	$ 126.61
-(d) Bond Valor £ Sterling	£ 107.78
-(d) Bond Valor Yen	Yen 10,879.00
-(d) Convert Valor Swf	SF 139.70
-(d) Convert Valor US-DOLLR	$ 154.16
-(d) Canasec	SF 579.00
-(d) CS Fonds-Bonds	SF 78.75
-(d) CS Fonds-Int'l	SF 123.25
-(d) CS Gold Valor	$ 92.66
-(d) CS Money Market Fund	$ 1152.50
-(d) CS Money Market Fund	DM 1089.66
-(d) CS Money Market Fund	£ 1118.09
-(d) CS Money Market Fd Yen	Y 103495.00
-(d) Energie-Valor	SF 138.50
-(d) Ussec	SF 778.00
-(d) Europa-Valor	SF 188.00
-(d) Pacific-Valor	SF 194.50
DREXEL BURNHAM LAMBERT INC	
Winchester House, 77 London Wall, LONDON EC2 (01 9209797)	
-(w) Finsbury Group Ltd.	$ 149.55
-(m) Winchester Diversified	$ 22.47*
-(m) Winchester Financial Ltd.	$ 8.77
-(m) Winchester Frontier	£ 164.06
-(w) Winchester Holdings	FF 114.26
	$ 12.94
-(m) Winchester Recovery Ltd.	$ 111.09
-(w) Worldwide Securities	$ 66.40
-(w) Worldwide Special	$ 2425.12
DIT INVESTMENT FFM	
-+(d) Concentra	DM 34.69
-+(d) Int'l Rentenfond	DM 84.05
EBC TRUST CO. (JERSEY) LTD.	
1-3 Sele St., St. Helier: 0534-36331	
TRADED CURRENCY FUND.	
@(d) Inc.: Bid $ 12.67 Offer	$ 13.070*
@(d) Cap.: Bid $ 15.03 Offer	$ 15.501
INTERNATIONAL INCOME FUND	
-(d) Short Term 'A' (Accum)	$ 1.5443
-(d) Short Term 'A' (Distr)	$ 1.0182*
-(d) Short Term 'B' (Accum)	$ 1.4353
-(d) Short Term 'B' (Distr)	$ 1.0460*
-(w) Long Term	$ 28.52
F&C MGMT. LTD. INV. ADVISERS	
1, Laurence Pountney Hill, EC4. 01-623-4680	
-(w) F&C Atlantic	$ 16.88
-(w) F&C European	$ 24.86
-(w) F&C Oriental	$ 46.94
FIDELITY POB 670, Hamilton Bermuda	
-(m) Fid. Amer. Val. II Com.	$ 66.57
-(m) Fid. Amer. Val. II Cum. Pref.	$ 102.00
-(m) Fid. Amer. Val. III Com.	$ 21.34
-(m) Fid. Amer. Val. III Cum Pref.	$ 102.17
-(d) Fidelity Amer. Assets	$ 95.53
-(d) Fidelity Australia Fund	$ 12.94
-(d) Fidelity Discovery Fund	$ 12.51
-(d) Fidelity Dir. Svgs. Tr.	$ 133.84
-(d) Fidelity Far East Fund	$ 41.64*
-(d) Fidelity Int'l. Fund s/s	$ 10.93
-(d) Fidelity Orient Fund	$ 58.29
-(d) Fidelity Frontier Fund	$ 17.39
-(d) Fidelity Pacific Fund	$ 219.48
-(d) Fidelity Spcl. Growth Fd.	$ 23.20
-(d) Fidelity World Fund	$ 51.89
FORBES PO 8887 GRAND CAYMAN	
London Agent 01-839-3013	
-(w) Dollar Income	$ 7.81
-(w) Forbes High Inc. Gilt Fd.	£ 96.60*
-(w) Gold Income	$ 9.09
-(w) Gold Appreciation	$ 5.42
-(m) Strategic Trading	$ 1.41
GEFINOR FUNDS.	
-(w) East Investment Fund	$ 656.95
-(w) Scottish World Fund	£ 171.45
-(w) State St. American	$ 200.80
London: 01-4914230, Geneva: 41-22355530	
GLOBAL ASSET MANAGEMENT CORP.	
PB 119, St Peter Port, Guernsey, 0481-28715	
-(w) FuturGAM S.A.	$ 136.52
-(w) GAM Arbitrage Inc.	$ 179.00
-(w) GAMerica Inc.	$ 211.97
-(w) GAM Australia Inc.	$ 106.47
-(w) GAM Boston Inc.	$ 145.34
-(w) GAM Ermitage	$ 21.38
-(w) GAM Ermitage Int. Inc.	$ 10.63
-(w) GAM Franc-val	SF 150.45
-(w) GAM France Inc	Fr 975.99
-(w) GAM Global Fund	$ 102.19
-(w) GAM Hong Kong Inc.	$ 103.31
-(w) GAM International Inc.	$ 192.12
-(w) GAM Japan Inc.	$ 222.30
-(w) GAM North America Inc.	$ 154.28
-(w) GAM N.Am. Unit Trust Inc.	128.50* p
-(w) GAM N.Am. Unit Trust Accum.	133.50 p
-(w) GAM Pacific Inc.	$ 227.42
-(w) GAM Pens. & Char. Worldw.	149.50 p
-(w) GAM Pens. & Char. U.K. Fd.	131.70 p
-(w) GAMrint	$ 142.19
-(w) GAM Singapore/Malay Inc.	$ 89.54
-(w) GAM Sterl & Intl Unit Trust	209.75
-(w) GAM Tyche S.A. Class A	$ 149.50
-(w) GAMtrends Inc.	$ 116.88
-(w) GAM U.S. Inc.	$
-(w) GAMut Inc.	$
-(w) GAM Worldwide Inc.	$ 263.95
-(w) GSAM Composite Inc.	$ 130.68
-(w) GSAM Int. Inc. U.S Ord.	$ 121.36*
-(w) GSAM Interest Inc. U.S Spe.	$ 113.31*
-(w) GSAM Interest Inc.	SF 104.45*
-(w) GSAM Interest Inc.	Yen 10.613*
-(w) GSAM Interest Inc.	DM 104.32*
-(w) GSAM Interest Inc.	£ 114.59*
-(w) GSAM Interest Inc.	Fr 996.57
G.T. MANAGEMENT (UK) Ltd.	
-(d) Berry Pac. Fd. Ltd.	$ 16.62
-(r) G.T. Applied Science	$ 15.45
-(d) G.T. Asean H.K. Gwth. Fd.	$ 14.90
-(d) G.T. Asia Fund	$ 6.90
-(d) G.T. Australia Fund	$ 24.76*
-(d) G.T. Europe Fund	$ 20.51
-(w) G.T. Euro. Small Cos. Fund	$ 22.90
-(r) G.T. Dollar Fund	$ 19.18
-(d) G.T. Bond Fund	$ 15.08*
-(d) G.T. Global Technology Fd.	$ 16.25
-(d) G.T. Honshu Pathfinder	$ 56.03
-(d) G.T. Investment Fund	$ 30.21
-(w) G.T. Japan Sml Co. Fd	$ 77.89
-(r) G.T. Technology Fund	$ 28.57
-(d) G.T. South China Fund	$ 15.37
HILL SAMUEL INVEST. MGMT. INTL. S.A.	
Jersey, P.O. Box 63, Tel 0534 76029	
Berne, P.O. Box 2622, Tel 4131 224051	
-(d) Crossbow (Far East)	SF 12.03
-(d) CSF (Balanced)	SF 27.86
-(d) European Equity Fund	DM 14.90
-(d) Intnl. Bond Fund	$ 11.40*
-(d) Int. Currency U.S.	$ 28.04
-(d) ITF Fd (Technology)	$ 16.95
-(d) O'Seas Fd (N. AMERICA)	$ 36.41
JARDINE FLEMING, POB 70 GPO Hg Kg	
-(r) J.F Currency & Bond	$ 17.20
-(r) J.F Hong Kong Trust	$ 39.26
-(r) J.F Pacific Income Trust	Y 49.88
-(r) J.F Japan Trust	Y 7103
-(r) J.F Japan Technology	Y 24.617
-(r) J.F Pacific Sec. S (Acc)	$ 14.47
LLOYDS BANK PLC, POB 438, Geneva 11	
-+(w) Lloyds Int'l Dollar	$ 118.00
-+(w) Lloyds Int'l Europe	SF 148.80
-+(w) Lloyds Int'l Growth	SF 198.90
-+(w) Lloyds Int'l Income	SF 309.50
-+(w) Lloyds Int'l N. America	$ 132.35
-+(w) Lloyds Int'l Pacific	SF 168.90
-+(w) Lloyds Int'l. Smaller Cos.	$ 16.52
NIMARBEN	
-(d) Class A	$ 105.18
-(w) Class B - U.S.	$ 161.07
-(w) Class C - Japan	$ 149.96
OBLIFLEX LIMITED	
-(w) Multicurrency	$ 16.05
-(w) Dollar Medium Term	$ 12.75
-(w) Dollar Long Term	$ 14.33
-(w) Japanese Yen	$ 18.49
-(w) Pound Sterling	£ 12.60
-(w) Deutsche Mark	DM 11.59
-(w) Dutch Florin	FL 11.39
-(w) Swiss Franc	SF 10.49
-(w) Swiss Multicurrency	SF 10.84
-(w) European Currency	ECU 11.39
-(d) Belgian Franc	BF 101.13
-(w) French Franc	SF 9.63
ORANGE NASSAU GROUP	
PB 85578, The Hague (070) 469670	
-(d) Bever Beleggingen++	$ 30.30
PARISBAS-GROUP	
-(d) Cortexa International	$ 106.09
-(d) ECUPAR	ECU 1126.37
-(w) OBLI-DM	DM 1245.41
-(w) OBLIGESTION	SF 94.65
-(w) OBLI-DOLLAR	$ 1270.82
-(w) OBLI-YEN	Y 106.122*
-(w) OBLI-GULDEN	FL 1117.26
-(d) PAROIL-FUND	$ 88.19
-(d) PAREUROPE GROWTH	$ 15.88
-(d) PARINTER FUND	$ 168.76
-(d) PARINTER BOND FUND	$ 12.30
-(w) PAR US Treas. Bond 'Cl. B'	$ 134.15
PUTNAM	
-(d) Emerging Hlth Sc. Trust	$ 13.82
(w) Putnam Em. Info. Sc. Tr.	$ 9.91
(d) Putnam Int'l Fund	$ 101.96
ROYAL B. CANADA, POB 246, GUERNSEY	
-+(w) RBC Canadian Fund Ltd.	$ 13.73
-+(w) RBC Far East & Pacific Fd.	$ 20.04
-+(w) RBC Int'l Capital Fd.	$ 38.16
-+(w) RBC Int'l Income Fd.	$ 12.75*
-+(d) RBC Mon. Currency Fd.	$ 30.19
-+(w) RBC North Amer. Fd.	$ 14.10*
SKANDIFOND INTL FUND (46-8-236270)	
-(w) Intl Inc. Fd: Bid. $ 8.86 Offer	$ 9.48*
-(w) Intl Acc. Fd: Bid. $ 9.00 Offer	$ 9.43
-(w) Inc. Bond Fd. Bid $6.13 Offer	$6.39
-(w) Acc. Bond Fd. Bid $6.12 Offer	$6.38
-(w) Far East Fd. Bid $ 0.98 Offer	$1.04
SVENSKA INTERNATIONAL LTD.	
17 Devonshire Sq., London-01-377-8040	
-(d) SHB Bond Fund	$ 29.86
-(w) SHB Intl Growth Fund	$ 40.23
SWISS BANK CORP. (ISSUE PRICES)	
-(d) America-Valor	SF 462.25
-(d) Dollar Bond Selection	$ 142.82
-(d) D-Mark Bond Selection	DM 121.64
-(d) Florin Bond Selection	FL 126.51
-(d) Intervalor	SF 85.00
-(d) Japan Portfolio	SF 1421.75
-(d) Sterling Bond Selection	£ 111.24
-(d) Swiss Foreign Bond Sel.	SF 110.43
-(d) Swissvalor New Series	SF 403.75*
-(d) Universal Bond Select.	SF 79.50
-(d) Universal Fund	SF 122.86
-(d) Yen Bond Selection	Y 11151.00
THORNTON MANAGEMENT LTD	
(d) The Establishment Trust	$ 1.47
(d) Thornton Australia Fd Ltd.	$ 11.43
(d) Thornton HK & China	$ 10.53
(d) Thornton Japan Fund Ltd.	$ 18.56
(d) Thornton Orient. Inc. Fd Ltd.	$ 14.24
(d) Thornton Phil. Redev. Fd.	$ 11.70
(d) Thornton Tiger Fund Ltd.	$ 11.51
(d) Thornton Pacific Tech. Fd Ltd.	$10.05
UNION BANK OF SWITZERLAND	
-(d) Bond-Invest	SF 64.25
-(d) DM-Invest bonds	DM 232.50
-(d) ESPAC Spanish sh.	SFr 124.50
-(d) Fonsa Swiss Sh.	SF 191.00
-(d) Francit French Sh.	SFr 185.00
-(d) Germac German Sh.	SFr 192.00
-(d) Globinvest sh.	SFr 109.50
-(d) SFr.-Invest bonds	SFr 216.00
-(d) Sima (stock price)	SF 213.00
-(d) Yen-Invest bonds	SFr 1000.50
UNION INVESTMENT Frankfurt	
-(d) Unirenta	DM 42.60
-(d) Unifonds	DM 30.40
-(d) Unirak	DM 85.90
-(d) UNIZINS	DM 114.70
Other Funds	
(w) Actibonds Investments Fund.	$ 32.23
(w) Actircroissance	$ 103.61
( ) Actifinance Intl.	$ 991.71
(w) Activest Intl.	$ 13.82
(w) Aquila International Fund	$ 247.85
(r) Arab Finance I.F.	$ 1018.77
(r) Ariane	$ 2429.20
(d) Asia Pac. Growth Fd N.V.	$ 24.75
( ) Australia Fund	$ 8.88
(b) Bloo Saudi Bond Fund	$ 157.36
(w) Bondselex-Issue Pr.	SF 132.07
(w) Callander Emer. Gr.	$ 94.38
(m) Canada Gtd-Mortgage Fd.	$ 10.24
(d) Capital Preserv. Fd. Intl.	$ 12.16
(w) Citadel Fun	$ 1.82
(w) Cititrust US $ Equities	$ 185.01
(m) Cleveland Offshore Fd.	$ 2963.08
(w) Columbia Securities	FL 104.12
(r) COMETE	$ 990.23
(w) Convert. Fd. Int'l A Certs	$ 15.57
(w) Convert. Fd. Int'l B Certs	$ 46.58
(w) Cumber Intl N.V.	$ 195.35
(w) Daiwa Japan Fund	Y 12.499
(w) D.G.C.	$ 132.97
-(d) Dollar-Baer bond Fd.	$ 1182.00
-(d) D-mark-Baer Bond Fd.	DM 1073.00
(d) D. Witter Wld Wide Ivt Tst.	$ 17.02
(r) Drakkar Invest. Fund N.V.	$ 1545.72
(d) Dreyfus America Fund	$ 12.13
(d) Dreyfus Fund Int'l.	$ 47.17
(w) Dreyfus Intercontinent	$ 48.43
(d) ECU Multiplacement	Ecu 1012.90
(d) Europe Obligations	Ecu 69.64
(d) Esprit Sicav	$ECU 979.62
(w) First Eagle Fund	$ 21,291.12
(w) Fifty Stars Ltd.	$ 1183.65
(w) F.I.T. FUND FF	FF 96.68
(w) Fonselex Issue Pr.	SF 213.65
(w) Forexfund	$ 8.54
(w) Formula Selection Fd.	SF 63.38
(d) Fonditalia	$ 42.51
(d) Frankf-Trust Interzins	DM 44.61
(w) George V INV. BOND F.	$ 14.56
(w) Governm. Sec. Fund	$ 81.35
(w) Haussmann Hldgs. N.V.	$ 200.85
-(w) Health 2000 Ltd	$ 9.97
(w) Hestia Funds	$ 130.35
(w) Horizon Fund	$ 1701.10
(m) IBEX Holdings Ltd.	SF 145.61
(r) ILA-IGB (15/06)	$ 9.73
(r) ILA-IGS (15/06)	$ 10.50
(m) IncAmerica N.V.	$ 11.32
(d) Interfund SA	$ 30.95
(w) Intermarket Fund	$ 322.13
(r) Int'l Securities Fund	$ 24.57
(d) Investa DWS	DM 61.70
(r) Invest Atlantiques	$ 15.50
(r) Italfortune Int'l Fund SA	$ 38.47
(w) Japan Selection Fund	$ 193.82
(w) Japan Pacific Fund	$ 203.30
(m) Jeffer Ptns. Intl. Ltd.	$ 13,121.83
(d) Kleinwort Benson Int'l Fd.	$ 27.96
(w) Kleinwort Bens. Jap. Fd.	$ 159.95
(w) Korea Growth Trust	KW 13,928.14
	$ 15.65
(d) Leicom Fund	$ 2083.99
(w) Leverage Cap Hold.	$ 250.65
(d) Liquibaer	$ 1435.00
(d) Luxfund	$ 115.20
(d) Mediolanum Sel. Fd.	$ 35.49
(r) Meteora	Y 125,049.00
(d) Nikko Growth Package Fd.	$ 13,816.61
(w) Nippon Fund	$ 62.64*
(d) NM Income & Growth Fund	$ 11.71
(m) NOSTEC Portfolio	$ 8220.04
(m) NSP F.I.T.	$ 210.57
(d) OPPORTUNITIES FUND	$ 1009.54
(d) Pacific Horizon Invt. Fd.	$ 1757.19
(w) PANCURRI Inc.	$ 35.63
(m) Permal Spec. Opp.	$ 1198.83
(r) Permal Value N.V.	$ 1481.31
(r) Pleiades	$ 1359.94
(r) Prirap fund	DM 50.18
(r) Pri-Tech	$ 1055.51
(w) Quantum Fund N.V.	$ 9881.21
(d) Renta Fund	LF 2857.00
(d) Rentinvest	LF 1145.30
(d) Reserve Insured Deposits	$ 1167.91
(w) Rudolf Wolff Fut Fd Ltd	$ 218.00
(w) Samurai Portfolio	SF 177.99
(d) SCI/Tech. SA Luxembourg	$ 14.81
(w) Seven Arrows Fund N.V.	$ 815.37
(w) Strategy Investment Fund	$ 26.89
(w) Target Fund	$ 940.00
(w) Techno Growth Fund	SF 76.91
(w) Tokyo Pac. Hold. (Sea)	$ 139.65
(w) Tokyo Pac. Hold. N.V.	$ 191.38
(w) Transpacific Fund	$ 165.42
(w) Trans Europe Fund	Fl 58.26
(d) Turquoise Fund	$ 176.88
(w) Tweedy, Browne n.v. Class A	$ 2573.46
(w) Tweedy, Browne n.v. Class B	$ 1695.18
(m) Tweedy, Browne (U.K.) n.v.	$ 1109.77
(d) UNICO Fund	DM 78.50
(d) UNI Bond Fund	$ 1398.16
(r) UNI Capital Fund	$ 1363.17
(d) Univers Bonds	DM 123.04
(d) US Federal Securities	$ 11.03
(w) Vanderbilt Assets	$ 13.95
(w) Willerbond Capital	$ 12.03
(d) World Fund S.A.	$ 17.76

DM - Deutsche Mark; BF - Belgium Francs; FL - Dutch Florin; LF - Luxembourg Francs; ECU - European Currency Unit; SF - Swiss Francs; a - asked; + - Offer Prices; b - bid change P/V $10 to $1 per unit; N.A. - Not Available; N.C. - Not Communicated; o - New; S - suspended; S/S - Stock Split; * - Ex-Dividend; ** - Ex-Rts; *** - Gross Performance Index December; ● - Redempt- Price- Ex-Coupon; ●● - Formerly Worldwide Fund Ltd; @ - Offer Price incl. 3% prelim. charge; ++ - daily stock price as on Amsterdam Stock Exchange

CURRENCY MARKETS

Dollar Slips Amid Bundesbank Fears

Compiled by Our Staff From Dispatches

LONDON — The dollar closed [illegible]own slightly in Europe Wednesday in nervous, active trading and dealers said that fear of intervention by the Bundesbank put a solid [illegible] under the U.S. currency.

Attempts to push the dollar through 2.15 Deutsche marks failed, and although it rose in London to 2.1575 during Wednesday's trading, a new batch of sluggish U.S. economic data pushed it back down. The dollar ended in London at 2.1495 DM, down nearly two pfennigs from Tuesday's 2.1660 DM.

Although most participants agree that the outlook for the dollar remains bearish, as one dealer put it: "Fear of intervention was the name of the game here in Europe today."

The Bundesbank last intervened in the open market in late April, when the dollar rose beyond 2.16 DM. To the surprise of many operators, it has not been sighted in the market since, despite the recent clear breach of the 2.16-DM level.

Combined with last week's remark by a top West German finance official that a further depreciation of the dollar would be inappropriate and could be countered through joint intervention by leading central banks, the latest dollar drop has sparked considerable nervousness, especially among European participants, dealers said.

They said this explained in part why the European market failed to react significantly to bullish yen remark by the Bank of Japan governor, Satoshi Sumita, or to another set of lackluster U.S. indicators reported Wednesday.

Mr. Sumita said that he was not thinking at all of cutting the Japanese discount rate to match last week's half-point cut in the U.S. discount rate, a comment that under normal circumstances would have triggered a shift out of the dollar into yen, dealers said.

"In Europe, people still have respect for the Bundesbank and are even a bit scared at times," said one dealer with a British clearing bank. "Our colleagues in Wall Street or Tokyo lack that kind of inhibition."

In Tokyo, the U.S. currency fell to 158.00 Japanese yen from 160.05 after selling caused by worries that business activity in the United States will continue to be dull.

In London, the pound firmed to $1.5140 from Tuesday's $1.4960.

In other European trading, the dollar was fixed at 2.1526 Deutsche marks in Frankfurt, down from Tuesday's 2.1670, and at 6.9515 French francs in Paris, down from 6.9680. It closed in Zurich at 1.7363 Swiss francs, down from 1.7618 a day earlier. *(Reuters, IHT)*

London Dollar Rates

Closing	Wed.	Tue.
Deutsche mark	2.1495	2.1660
Pound sterling	1.5140	1.4960
Japanese yen	158.30	159.55
Swiss franc	1.7423	1.7603
French franc	6.9425	6.9950

Source: Reuters

Securities Conference Opens With Plea for Cooperation

By Carl Gewirtz

International Herald Tribune

PARIS — The International Association of Securities Commissions opened its three-day annual conference here on Wednesday, its first outside North America, calling for cooperation among regulatory bodies to meet the challenge of increasing internationalization and integration of the world's securities markets.

The stock market supervisors are seeking not only better cooperation among themselves, across frontiers, but also with banking regulators to cope with the blurring distinctions between the once separate banking and securities markets.

That point was made by Sir Nicolas Goodison, chairman of the London Stock Exchange.

"Capital markets today cross international frontiers," he said. "They do so over a telephone call or at the press of a button on a keyboard. The effect is instantaneous. It must be obvious that the need for international regulatory cooperation is vital."

But, he said, "The ability to exchange information between securities regulators in different countries does not yet formally exist. It is essential that a system of cross-border cooperation is established."

John S.R. Shad, chairman of the U.S. Securities and Exchange Commission, warned that "the potential for fraud and market manipulation has increased." He urged the association to establish a committee to develop proposals to accelerate the sharing of enforcement information.

Although the sharing of information raises the thorny issue of the extraterritorial reach of domestic laws — an act that is illegal in one country may not be in another — there was no hint that this was an issue.

Camille Cabana, France's minister of denationalization said, "France is ready to develop within the European Community as well as on the international level, cooperation on the control of securities markets."

The current meeting is expected to establish an executive committee to follow up on the decisions of the annual meeting, and a permanent secretariat.

The group also approved speedier access to membership, which is largely made up of supervisory bodies in North and South America.

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

United States

Ahmanson (H.F.)

2nd Quar.	1986	1985
Revenue	771.7	747.0
Net Inc.	74.50	55.50
Per Share	0.80	0.64
1st Half	1986	1985
Revenue	1,530.	1,470.
Net Inc.	144.41	91.81
Per Share	1.60	1.09

AMR

2nd Quar.	1986	1985
Revenue	1,528.	1,490.
Net Inc.	128.2	173.9
Per Share	2.07	2.08
1st Half	1986	1985
Revenue	2,970.	3,080.
Net Inc.	132.4	234.1
Per Share	2.16	4.12

Apple Computer

3rd Quar.	1986	1985
Revenue	448.3	374.9
Net Inc.	32.3	(a)17.2
Per Share	0.49	—
9 Months	1986	1985
Revenue	1,390.	1,500.
Net Inc.	121.1	38.9
Per Share	1.89	0.63

a: loss. 1985 nets include tax credit of $14.5 million in quarter and charge of $40.3 million in both periods.

Avon Products

2nd Quar.	1986	1985
Revenue	711.9	585.7
Oper Net	38.9	31.9
Oper Share	0.55	0.40
1st Half	1986	1985
Revenue	1,320.	1,110.
Oper Net	54.6	45.5
Oper Share	0.76	0.57

1985 nets exclude gains of $8.6 million in quarter and of $18.1 million in six months. 1985 results restated.

Ball Corp.

2nd Quar.	1986	1985
Revenue	296.1	306.5
Net Inc.	18.6	16.5
Per Share	0.81	0.72
1st Half	1986	1985
Revenue	536.7	563.1
Net Inc.	30.9	25.0
Per Share	1.34	1.09

Banc One

2nd Quar.	1986	1985
Net Inc.	38.4	31.5
Per Share	0.56	0.48
1st Half	1986	1985
Net Inc.	74.3	61.7
Per Share	1.08	0.85

BankAmerica

2nd Quar.	1986	1985
Net Loss	640.0	338.0
1st Half	1986	1985
Net Loss	577.0	224.0

Bankers Trust N.Y.

2nd Quar.	1986	1985
Net Inc.	104.2	87.2
Per Share	1.45	1.27
1st Half	1986	1985
Net Inc.	220.2	179.8
Per Share	3.09	2.64

Boise Cascade

2nd Quar.	1986	1985
Revenue	945.0	953.0
Net Inc.	31.3	31.7
Per Share	1.07	1.07
1st Half	1986	1985
Revenue	1,900.	1,900.
Net Inc.	56.3	65.0
Per Share	1.90	2.19

1985 nets include gains of 32 cents per share in quarter And of 45 cents in six months from sale of units.

Burroughs

2nd Quar.	1986	1985
Revenue	1,337.	1,221.
Net Inc.	76.2	54.1
Per Share	1.61	1.19
1st Half	1986	1985
Revenue	1,725.	1,646.
Net Inc.	92.2	100.7
Per Share	1.97	2.22

Chesebrough-Pond's

2nd Quar.	1986	1985
Revenue	800.5	776.7
Net Inc.	48.0	24.2
Per Share	1.13	0.69
1st Half	1986	1985
Revenue	1,610.	1,170.
Net Inc.	99.3	44.1
Per Share	2.48	1.27

Results include Stauffer Chemical Co. since March 15.

Citicorp

2nd Quar.	1986	1985
Net Inc.	235.0	251.0
Per Share	1.60	1.81
1st Half	1986	1985
Net Inc.	505.0	520.0
Per Share	3.47	3.83

Continental Bancorp

2nd Quar.	1986	1985
Net Inc.	12.69	11.92
Per Share	1.15	1.09
1st Half	1986	1985
Net Inc.	26.65	23.76
Per Share	2.42	2.17

Continental Illinois

2nd Quar.	1986	1985
Net Inc.	40.5	37.3
Per Share	0.15	0.13
1st Half	1986	1985
Net Inc.	80.4	76.6
Per Share	0.29	0.27

Crown Cork & Seal

2nd Quar.	1986	1985
Revenue	465.0	408.9
Net Inc.	23.8	21.1
Per Share	2.21	1.91
1st Half	1986	1985
Revenue	822.2	724.1
Net Inc.	39.2	34.2
Per Share	3.63	3.11

Dorsey

2nd Quar.	1986	1985
Revenue	140.4	137.4
Net Inc.	2.97	2.27
Per Share	0.42	0.34
1st Half	1986	1985
Revenue	265.2	271.9
Net Inc.	5.40	4.32
Per Share	0.77	0.65

Per share results adjusted for 2-for-1 split in June.

Dover

2nd Quar.	1986	1985
Revenue	364.7	370.4
Net Inc.	21.1	24.3
Per Share	0.60	0.68
1st Half	1986	1985
Revenue	719.6	728.9
Net Inc.	39.4	48.3
Per Share	1.11	1.36

THE EUROMARKETS

Secondary Sector Remains Steady as New Issues Emerge

By Christopher Pizzey

Reuters

LONDON — Secondary-market sectors of the Eurobond market generally ended little changed Wednesday, although sterling-straight bonds gained as much as ⅜ point, dealers said.

The dollar-straight sector saw two new dollar straights. Also launched was a dollar bond that has its coupon and redemption amount linked to the yen-dollar exchange rate.

Mercedes Benz Credit Corp. issued a $100-million bond paying 7½ percent over seven years and priced at par. Although the issue was unguaranteed, the quality that many investors attach to the Mercedes name meant that it traded within the 1¼-percent selling concession throughout the day. It was led by Deutsche Bank Capital Markets, which quoted it at a discount of ⅞.

A $100-million bond also emerged for a much more frequent borrower, Nordic Investment Bank. The bond also pays 7½ percent over seven years, but was priced at 100¾. It was lead-managed by Salomon Brothers International and was quoted by brokers well outside the 1⅞-percent fees at a discount of around 2¾.

Dai-Ichi Kangyo International launched a $100-million bond for Denmark with the final redemption amount and coupons linked to the yen-dollar exchange rate.

The five-year issue was priced at 101⅛. Under its structure it would pay a 10-percent coupon and be redeemed at par if the yen was 163 to the U.S. dollar.

If the yen appreciates beyond this level, the coupon and redemption amount are reduced, while if the yen eases they will be higher. The issue was not traded actively.

The floating-rate note sector saw a $200-million, 12-year issue for Wells Fargo & Co. that pays ⅛ point over the three-month London interbank offered rate.

SWATCH: *Sporty Watchmaker Expands to Clothing*

(Continued from first finance page)

disappointing $3 million in sales, company officials said.

With a 4,900-percent increase in U.S. sales in the last three years, Swatch has set a new pace for the industry. Last year, it more than doubled its watch production to almost nine million units, meeting demands by retailers for increased supplies.

Ironically, Swatch's watches — the antithesis of the expensive and high-quality watches for which Switzerland is renowned — are helping the Swiss recover from the collapse of the high-end watch market in the early 1980s. In 1980 the Swiss produced 96 million units. By 1983, production had plummeted to 42.9 million units.

The resulting mergers, forced by Swiss banks that bailed out the industry, left Omega, Longines and a host of other manufacturers operating as subsidiaries of the same corporate parent, Société Suisse de Microélectronique et d'Horlogerie, or SMH.

With Swatch, the Swiss manufacturers have almost doubled their 5-percent share of the under-$50 market — which is estimated to account for 70 percent of worldwide watch sales.

"I wouldn't think they have much time to build on the watch," said Donald C. Hambrick, director of the Strategic Research Center at the Columbia University Graduate School of Business. While Mr. Hambrick lauded Swatch for its move toward diversification, he suggested that after a single season, Swatch should move on to what he called the "third wave," a line of clothes that can stand alone.

For now, though, Swatch is making the most of its trendy watch. "They've got a hot name and they are taking that strength and applying that name to other products that appeal to their customers," said Doris Johanson, senior vice president for fashion accessories and shoes at the Bloomingdale's department store.

The clothing, introduced for the last Christmas selling season, accounted for almost one-quarter of Swatch's $150 million in U.S. retail sales in 1985, according to estimates by industry observers. Swatch declined to release sales figures.

The Swatch clothing and watch boutiques have done so well that many department stores are providing more display space in prime areas. Often set on heavily trafficked aisles, the Swatch displays offer the latest models, against a backdrop of music videos that are longer versions of Swatch commercials.

Swatch's clothing, known as "Funwear," includes sweatshirts and sweatpants, oversized shirts, shorts and other unisex items. Made in the United States and Hong Kong, they range in design from wildly patterned mosaics to drawings in a comic-book style. The accessories, produced in the United States, Italy and West Germany, include umbrellas, bags and towels.

Although Swatch executives profess confidence in the company's new direction, it will nonetheless introduce two new watch lines this summer without accompanying clothes or accessories.

The marketing approach and designs that Swatch used for its watches now are carried over to its clothes as well.

First, Swatch concentrated on esthetics. Startling designs replace the numerals on the watch's face, accompanied by fruit-scented bands, both in bright colors.

"They've turned the watch face into an artist's palette," said Joe Thompson, editor of Modern Jeweler magazine, a trade publication.

Swatch produces some models of watches in limited quantities, creating the impression that the watch is so popular that it is hard to find. Only recently has Swatch relented and produced a second group of its popular Jellyfish model. Limited production is planned for some of the clothing lines as well.

By marketing the watch as a fashion accessory, Swatch sought to sell more than one watch to a customer, a big change in an industry that traditionally expected consumers to buy one watch a decade.

Swatch turned to television, and specifically to MTV, the cable program that features round-the-clock music videos, to reach its chosen market of teen-agers and young adults. "MTV's demographics are scripted for them," said Robert A. Roganti, a senior vice president and general manager of sales for MTV Networks Inc.

Swatch does not disclose its advertising expenditures, but Leading National Advertisers, an independent media-measuring service, estimates that Swatch spent just under $6 million on advertising in 1985.

IBM: *Earnings Shock*

(Continued from first finance page)

largest stock portfolio in the United States, valued at about $24 billion.

Thanks to its long-term record of rising profits and industry domination, IBM has for decades ranked as the stock most widely owned by institutional investors. Standard & Poor's Outlook reported in late May that institutions held 51 percent of the company's 616 million shares, with a market value at that time of $45.7 billion. This far exceeded the value of institutional holdings in General Electric Co. at $17.4 billion and Exxon Corp. at $14.1 billion.

Last year, IBM earned $10.67 a share. This week saw Wall Street analysts once again cutting their profit forecasts. "On the basis of the company's somewhat disappointing second-quarter earnings and on our own firm's latest forecast for slow economic growth," said Timothy W. Summers of Smith Barney, Harris Upham & Co., "we're estimating earnings in the area of $10 a share for this year and at $11.50 for 1987."

At Dean Witter Reynolds Inc., Jay P. Stevens has lowered his earnings projections to $10.40 a share for 1986 and to $11.75 for next year. Both analysts, however, retain their "buy" opinion on the stock.

Steven Milunovich of First Boston Corp. rates the stock a short-term "hold" and a long-term "buy." He estimates earnings at $10.30 a share for this year and at $11.75 for 1987.

Wednesday's OTC Prices

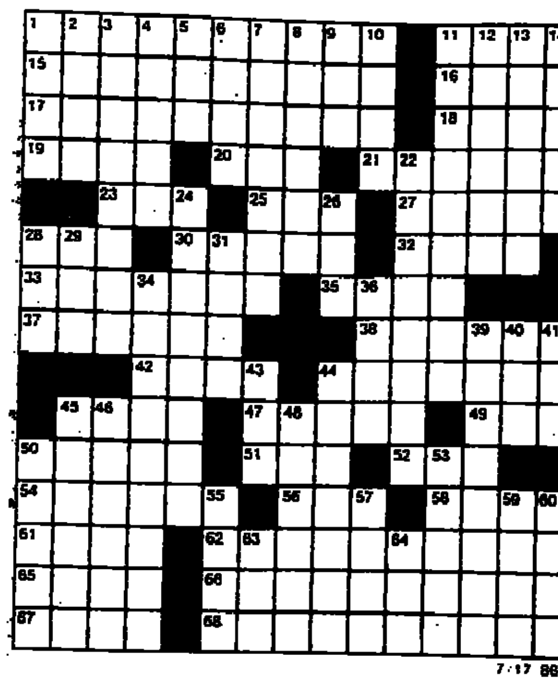
NASDAQ prices as of 3 p.m. New York time.

Via The Associated Press

12 Month High	12 Month Low	Stock	Div.	Yld.	Sales in 100s	High	Low	3 P.M.	Net Ch'ge

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends [illegible] on the latest declaration.

a — dividend also extra [illegible]
b — annual rate of divi[illegible]
c — liquidating dividen[illegible]
cld — called. [illegible]
d — new yearly low. [illegible]
e — dividend declare[illegible]
g — dividend in Can[illegible] [illegible]ce tax.
i — dividend decl[illegible] [illegible]dend.
j — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k — dividend declared or paid this year, an accumulative issue with dividends in arrears.
n — new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd — next day delivery.
P/E — price-earnings ratio.
r — dividend declared or paid in preceding 12 months, plus stock dividend.
s — stock split. Dividend begins with date of split.
sls — sales.
t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u — new yearly high.
v — trading halted.
vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd — when distributed.
wi — when issued.
ww — with warrants.
x — ex-dividend or ex-rights.
xdis — ex-distribution.
xw — without warrants.
y — ex-dividend and sales in full.
yld — yield.
z — sales in full.


7/17/86

ACROSS

1 They eat their words
11 Director Vittorio De——
15 Detestation
16 Dutch spread
17 Crayfish, e.g.
18 Bill section
19 Mind-boggling times
20 Rock group, with "The"
21 Hold back
23 Let bait bob
25 Punch line
27 Passé
28 "Evita" role
30 Top-drawer
32 Ticks off
33 Unorthodox believer
35 Viaud's nom de plume
37 Guarantee
38 Migrants from Wis. to Ind.
42 Declaim violently
44 Infant in his or her first month
45 Karpov gambit, e.g.
47 Fall faller
49 Immediately
50 Structure
51 What Aaron wielded
52 Turf
54 In —— (secretly)
56 Moisten timber
58 "On Your ——"
61 Global area
62 Three-time N.L. M.V.P.
65 State founder
66 Financial departments
67 Time frames
68 Grayish-brown hues

DOWN

1 Marathon, e.g.
2 Cantabrian river
3 Bellows
4 "Lou Grant" role
5 Dance, e.g.
6 Insect's receptacle
7 Methodology
8 Baseball situation
9 Sarnoff's org.
10 Telegraph
11 Cult member
12 Conceive
13 Dental concerns
14 Restructure
22 Publishers' output
24 Double-dealer
26 —— canto
28 Soror's letter
29 Biddy
31 Bank claim
34 Slavs and Croats, e.g.
36 Hebrew seven-week period
39 Strummer's instrument
40 Robert of "Quincy, M.E."
41 Baste
43 Flap
44 Steno's companion
45 Mr. Spock's side arm
46 Thin plate
48 Bizet opus
50 Word with moon or land
53 Colo. college
55 New Testament book
57 Soviet news org.
59 Robert ——
60 Snippiness
63 Constellation or screw pine
64 Kook

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DENNIS THE MENACE

"HE HAS FLEAS, BUT THEY'RE ALL HOUSEBROKEN, TOO."

JUMBLE. THAT SCRAMBLED WORD GAME

by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

SOYUL

DIATS

REHIFE

UNGOTE

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: "
"

(Answers tomorrow)

Yesterday's | Jumbles: CYNIC PIECE OUTFIT GAMBOL
Answer: What sort of job do they do delivering parcels?— A "BANG-UP" ONE

WEATHER

EUROPE	HIGH C	HIGH F	LOW C	LOW F	
Algarve	31	88	20	68	fr
Amsterdam	27	81	13	55	fr
Athens	35	95	23	73	fr
Barcelona	27	81	18	64	fr
Belgrade	22	72	13	55	fr
Berlin	27	81	14	57	fr
Brussels	27	81	14	57	fr
Bucharest	24	75	17	63	o
Budapest	24	75	13	55	fr
Copenhagen	21	70	16	61	o
Costa Del Sol	27	81	17	63	fr
Dublin	18	64	15	59	o
Edinburgh	19	66	15	59	o
Florence	27	81	20	68	cl
Frankfurt	27	81	13	55	fr
Geneva	26	79	11	52	fr
Helsinki	20	68	13	55	cl
Istanbul	29	84	20	68	fr
Las Palmas	26	79	17	63	fr
Lisbon	31	88	21	70	fr
London	26	79	18	64	fr
Madrid	32	90	17	63	fr
Milan	26	79	17	63	fr
Moscow	18	64	12	54	sh
Munich	23	73	10	50	fr
Nice	26	79	19	66	fr
Oslo	24	75	14	57	cl
Paris	29	84	17	63	fr
Prague	24	75	10	50	cl
Reykjavik	10	50	6	43	cl
Rome	26	79	18	64	o
Stockholm	22	72	16	61	cl
Strasbourg	27	81	12	54	fr
Venice	27	81	16	61	fr
Vienna	26	79	13	55	fr
Warsaw	24	75	9	48	cl
Zurich	24	75	11	52	fr
MIDDLE EAST					
Ankara	31	88	15	59	fr
Beirut	—	—	—	—	na
Damascus	40	104	13	55	fr
Jerusalem	31	88	20	68	fr
Tel Aviv	31	88	20	68	fr
OCEANIA					
Auckland	14	57	3	37	fr
Sydney	20	68	14	57	o

ASIA	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	33	91	26	79	o
Beijing	28	82	22	72	o
Hong Kong	30	86	26	79	cl
Manila	32	90	23	73	cl
New Delhi	38	100	27	81	st
Seoul	26	79	23	73	r
Shanghai	34	93	25	77	o
Singapore	30	86	26	79	o
Taipei	34	93	26	79	o
Tokyo	27	81	21	70	r
AFRICA					
Algiers	28	82	15	59	fr
Cairo	35	95	23	73	fr
Cape Town	16	61	7	45	fr
Casablanca	28	82	22	72	cl
Harare	26	79	11	52	fr
Lagos	27	81	23	73	o
Nairobi	23	73	13	55	st
Tunis	31	88	19	66	cl
LATIN AMERICA					
Buenos Aires	13	55	5	41	cl
Caracas	26	79	21	70	r
Lima	19	66	14	57	o
Mexico City	24	75	8	46	r
Rio de Janeiro	25	77	17	63	fr
NORTH AMERICA					
Anchorage	18	64	10	50	r
Atlanta	33	91	22	72	pc
Boston	26	79	16	61	pc
Chicago	34	93	21	70	fr
Denver	31	88	18	64	st
Detroit	30	86	19	66	fr
Honolulu	31	88	24	75	pc
Houston	35	95	23	73	pc
Los Angeles	25	77	18	64	pc
Miami	32	90	21	70	pc
Minneapolis	32	90	21	70	pc
Montreal	24	75	11	52	pc
Nassau	31	88	24	75	fr
New York	29	84	19	66	fr
San Francisco	19	66	12	54	pc
Seattle	19	66	10	50	cl
Toronto	28	82	12	54	pc
Washington	31	88	21	70	fr

cl-cloudy; fo-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sw-snow; st-stormy.

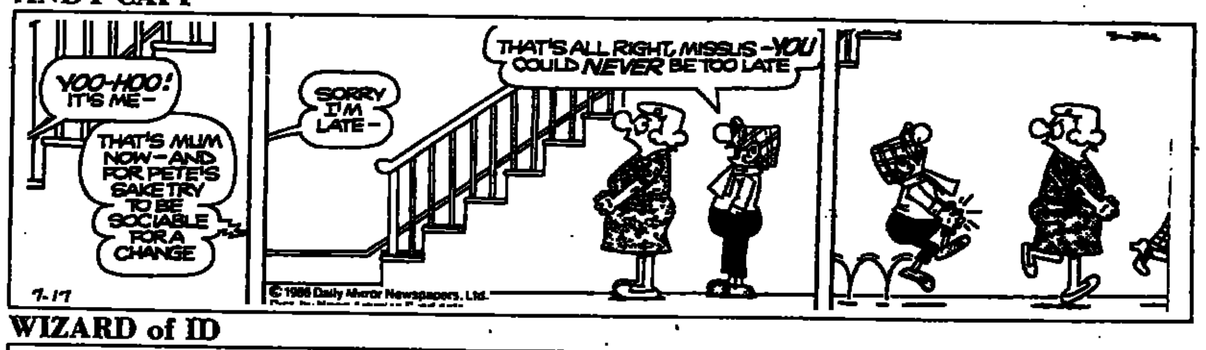
THURSDAY'S FORECAST — CHANNEL: Slightly choppy. FRANKFURT: Fair. Temp. 28—15 (82—59). LONDON: Overcast. Temp. 21—15 (70—59). MADRID: Fair. Temp. 30—18 (86—64). NEW YORK: Partly cloudy. Temp. 29—21 (84—70). PARIS: Cloudy. Temp. 26—17 (79—63). ROME: Fair. Temp. 27—17 (81—63). TEL AVIV: Na. ZURICH: Fair. Temp. 25—13 (77—55). BANGKOK: Fair. Temp. 33—26 (91—79). HONG KONG: Fair. Temp. 31—26 (88—79). MANILA: Fair. Temp. 32—23 (90—73). SEOUL: Thunderstorms. 25—22 (77—72). SINGAPORE: Fair. Temp. 31—27 (88—81). TOKYO: Rain. Temp. 27—21 (81—70).

PEANUTS

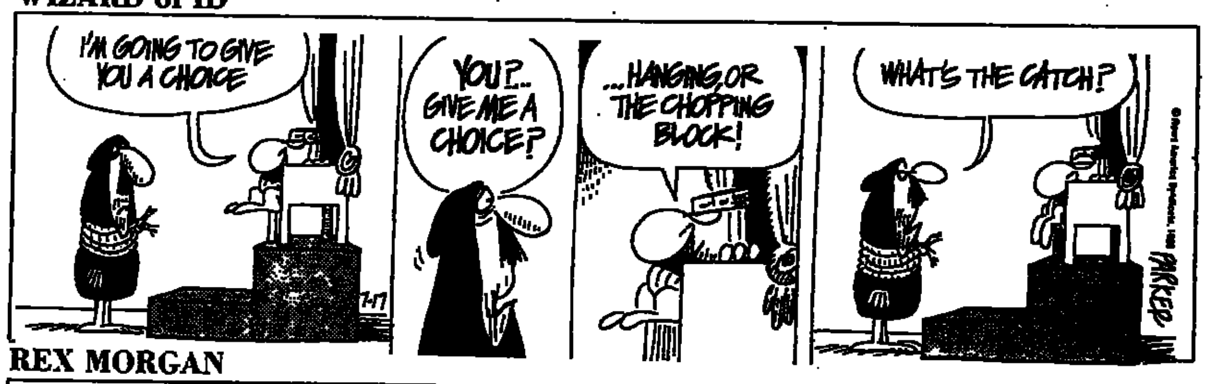
BLONDIE

BEETLE BAILEY

ANDY CAPP



WIZARD of ID



REX MORGAN

GARFIELD

BOOKS

JOHN SINGER SARGENT: His Portrait.

By Stanley Olson. 309 pages. $16.95. St. Martin's Press Inc., 175 Fifth Avenue, New York, N. Y. 10010.

Reviewed by Leon Edel

THIS is the third biography of John Singer Sargent since his death in 1925. The American master of Victorian and Edwardian portraiture was first memorialized by Evan Charteris in a measured and well-written life that gave us most of the essentials. Charteris had known Sargent, his sisters and his friends for more than a quarter of a century and he wrote with authority and care. What he could not fully explain was Sargent's general cool "distance" from people — a quality that enabled him to paint them without emotional interference. A second biography by Charles M. Mount, himself a painter, attempted to see further but a bit too impressionistically.

Now we have Stanley Olson's aggressive, wide-reaching research for more data. He hasn't found much. Sargent's loyal sisters cleaned out his studio and burned most of his papers. Olson tries to make up for absence of detail by furious writing and a kind of generalized hostility to the past — a compulsive need to "put down" the people who lived in it.

And he is a complaining biographer. Sargent should have kept better order, preserved more letters, doubtless for Olson's biographical use. "Even his handwriting stayed annoyingly and illegibly the same since the early 1870s." Annoying to whom? It was, Olson believes, wrong for Sargent's parents to live in "the shadowy expatriate world." Shadowy to whom?

Olson constantly forgets that Americans involved with artistic creativity, especially painting and sculpture, sought Europe for decades because the United States had few museums and few art schools. Sargent's mother, Olson tells us (without producing his evidence), used ill-health and repeated pregnancies to keep her husband anchored abroad when he would have been happier back home in Philadelphia. He paints the husband as "basked in lethargy." And what made Mrs. Sargent happy in Europe "eludes expression." Perhaps it eludes Olson's, but those who knew her recorded her as a woman of much charm who enjoyed the arts, liked travel, and painted water colors — Sargent came by his talent honestly. Olson [illegible] to believe expatriation is bad for A[illegible] although it has produced some of [illegible] provincial talents.

Clearly this "exile" gave Sargent opportunities other American painters — say, [illegible] as talented as Frank Duveneck — [illegible] While Duveneck schooled himself [illegible] Middle Western [illegible] Sargent [illegible] student of European [illegible] art. Born [illegible] ence, he didn't get [illegible] homeland until [illegible] in his 20s. He grew [illegible] to his family [illegible] price expatriates [illegible] getting to know Europeans. He learned languages. If he [illegible] the deepest national [illegible] he was a loyal A[illegible] icano-European. By the time he was [illegible] possessed a tried cosmopolitanism and [illegible] as much a virtuoso of the paint brush as [illegible] ed young musicians are of their instrum[illegible]

Allergic to cosmo[illegible] few Sargent papers [illegible] great deal of space to [illegible] were a profoundly relevant [illegible] driven Mrs. Jack Gardner, who (Olson [illegible] marks) "has never inspired good biogra[illegible] is chided for choosing to build her Ven[illegible] palace in the Fenway, when she might [illegible] "found immortality" endowing hospital[illegible] braries or universities. He treats the hos[illegible] of the time with condescension and conte[illegible]

Olson has taken the trouble to give us [illegible] detail about Sargent's way of painting, ho[illegible] conducted his studio life, and his mix of ph[illegible] and musical talent. But he keeps turning [illegible] into "a full-blown enigma," perhaps bec[illegible] he fears making psychological judgme[illegible] There is abundant evidence that Sargent w[illegible] typical Victorian bachelor whose sexual d[illegible] was invested totally in his painting. He w[illegible] workaholic who stuck close to his sisters. [illegible] kept a proper distance from women, and w[illegible] other artists prefer nudes, Sargent's prefere[illegible] was for clothed society ladies, with all t[illegible] jewelry and their crisp finery.

Olson recognizes that there came a mo[illegible] when Sargent grew weary of elegant faces [illegible] jeweled finery. He ran away from the fin[illegible] outside his Tite Street studio. Everyone wa[illegible] to be transformed into a Sargent painting. [illegible] spent months in the mountains, was a sk[illegible] water-colorist, and left many landscapes [illegible] drawings. Small wonder that he embraced i[illegible] tations to do his Boston murals — in the Pu[illegible] Library, the Museum of Fine Arts, the Wid[illegible] er Library. Olson describes Sargent's resear[illegible] es for his murals as having "the urgency [illegible] theft." The biographer's facile impressioni[illegible] never comes to grips with what these comm[illegible] sions must have meant to a painter who [illegible] worked in a peopled world.

Sargent is a magnificent subject for c[illegible] analysis in the light of modern psychology [illegible] for a comprehensive study of how he conce[illegible] and revealed himself in his great canv[illegible] American art has produced few such ma[illegible] and they deserve much more than glibness [illegible] gossip and the kind of thoughtlessness [illegible] present book contains.

Leon Edel, the biographer of Henry Ja[illegible] has completed editing the fourth volume of [illegible] mund Wilson's diaries, "The Fifties," which [illegible] be published in the fall. He wrote this for [illegible] Washington Post.

Solution to Previous Puzzle

■	I	M	P	A	L	E	■	■	P	U	M	A	S	■
A	D	E	E	D	O	F	■	A	E	R	A	T	E	S
R	O	C	K	O	F	G	I	B	R	A	L	T	A	R
A	L	H	I	R	T	■	N	A	I	L	■	A	D	E
■	■	A	N	N	■	M	E	T	■	■	R	I	O	S
S	I	N	G	A	P	O	R	E	S	L	I	N	G	■
O	R	T	■	■	E	A	T	■	N	I	L	■	■	■
W	A	S	H	E	R	S	■	P	U	L	L	M	A	N
■	■	■	A	G	T	■	A	L	F	■	■	A	R	E
■	K	N	I	G	H	T	S	O	F	M	A	L	T	A
G	L	A	D	■	■	A	C	T	■	A	T	I	■	■
A	I	R	■	C	A	T	O	■	C	L	O	N	E	D
B	E	R	M	U	D	A	T	R	I	A	N	G	L	E
E	G	O	I	S	M	S	■	R	E	D	C	E	L	L
■	S	W	A	P	S	■	■	S	N	E	E	R	S	■

7/17/86

BRIDGE

By Alan Truscott

AT the first world simultaneous pairs championship, the same deals were played all over the world, with predetermined match points. In one of the most exciting of them, shown in the diagram, aggressive players received a substantial reward.

At many tables the bidding followed the course shown, suggested in the official booklet distributed to the players at the end of the game. With the vulnerability in their favor, East and West were very willing to save in five hearts. That contract fails by two tricks if the defense is perfect, giving North-South 35 match points out of a possible 100 and the remaining 65 to East-West.

But West escapes for down one after a routine club lead and North-South score only 19.

But North may take a shot at six clubs, in the teeth of the vulnerability. His partner must have a very strong hand and a long club suit to venture five clubs, and North has four-card support and an ace. Somebody is likely to double, and with the diamond king well placed, North-South score the slam and collect 99 match points. If North passes, South might venture six clubs with the same result.

Bidding to six clubs with the North-South cards can be successful in more than one way. If West has the diamond king, the slam will fail, costing North-South 100 or 200, but in that situation five hearts d[illegible] bled may succeed: After a [illegible] lead West losers will be lim[illegible] to two aces.

NORTH (D)
♠ A J 9 8
♡ 8 5
♢ 10 8 3
♣ J 9 8 3

WEST
♠ K 5 2
♡ A K Q 9 4 2
♢ 6 2
♣ 10 4

EAST
♠ Q [illegible]
♡ J 10 7 [illegible]
♢ K 9 7 [illegible]
♣ —

SOUTH
♠ 4
♡ 6
♢ A Q J 5
♣ A K Q 7 6 5 2

North and South were vulnera[illegible]. The bidding:

North	East	South	West
Pass	Pass	1 ♣	1 ♡
1 ♠	4 ♡	5 ♣	5 ♡
6 ♣	Dbl.	Pass	Pass
Pass			

West led the heart king.

World Stock Markets

July 16

Closing prices in local currencies unless otherwise indicated.

Amsterdam

	Close	Prev.
ABN	604	604
ACF Holding	N.A.	N.A.
Aegon	103.40	105
Akzo	161.80	163.30
AHold	90.80	91
AMEV	78.30	79.50
A'Dam Rubber	N.A.	N.A.
Amro Bank	109	108.90
BVG	N.A.	N.A.
Buehrmann T	213	N.A.
Caland Hldg	N.A.	N.A.
Elsevier-NDU	210.20	212.70
Fokker	91	93.30
Gist Brocades	55.30	54.30
Heineken	171.80	173
Hoogovens	109.10	109.40
KLM	45.50	46
Naarden	N.A.	N.A.
Nat. Neder	84.40	85.30
Nedlloyd	164	165.50
NMB	213.50	213
Oce Vander G	508	509
Pakhoed	52.70	52.90
Philips	51	51.10
Robeco	91	92.20
Rodamco	132.40	139.50
Rolinco	83.10	84.20
Rorento	50.20	50.30
Royal Dutch	188.70	188.90
Unilever	494	495.50
Van Ommeren	N.A.	N.A.
VMF-Stork	N.A.	N.A.
VNU	334	335.50

ANP.CBS Gen'l Index: N.A.
Previous: N.A.
Source: Reuters.

Brussels

	Close	Prev.
Arbed	2745	2750
Bekaert	N.A.	N.A.
Cockerill	135	135
Cobepa	N.A.	N.A.
EBES	4485	4545
GB-Inno-BM	7340	7380
GBL	3140	3175
Gevaert	5760	5790
Hoboken	7200	7200
Intercom	N.A.	N.A.
Kredietbank	N.A.	N.A.
Petrofina	8740	8760
Soc. Generale	5850	5910
Sofina	9600	9740
Solvay	7580	7780
Traction Elec	N.A.	N.A.
UCB	N.A.	N.A.
Unerg	N.A.	N.A.
V Montagne	5750	5500

Current Stock Index: 3658.04
Previous: 3697.48
Source: Reuters.

Frankfurt

	Close	Prev.
AEG	287	N.A.
Allianz Vers	N.A.	N.A.
Altana	N.A.	N.A.
BASF	243.50	N.A.
Bayer	267	N.A.
Bay Hypo Bk	N.A.	N.A.
Bay Vereinsbk	488	N.A.
BBC	N.A.	N.A.
BHF-Bank	N.A.	N.A.
BMW	558	N.A.
Commerzbank	280.80	N.A.
Conti Gummi	286	N.A.
Daimler-Benz	1269	N.A.
Degussa	N.A.	N.A.
Deut. Babcock	N.A.	N.A.
Deutsche Bank	738	N.A.
Dresdner Bank	387	N.A.
Harpener	N.A.	N.A.
Hochtief	N.A.	N.A.
Hoechst	246.50	N.A.
Hoesch	151.50	N.A.
Horten	178	N.A.
Hussel	N.A.	N.A.
IWKA	N.A.	N.A.
Kali + Salz	N.A.	N.A.
Karstadt	360	N.A.
Kaufhof	N.A.	N.A.
Kloeckner H-D	207	N.A.
Kloecknerwk	N.A.	N.A.
Krupp Stahl	N.A.	N.A.
Linde	651	N.A.
Lufthansa	N.A.	N.A.
MAN	N.A.	N.A.
Mannesmann	177	N.A.
Muench Rueck	N.A.	N.A.
Nixdorf	N.A.	N.A.
PKI	813	N.A.
Porsche	N.A.	N.A.
Preussag	169	N.A.
PWA	N.A.	N.A.
RWE	195	N.A.
Rheinmetall	N.A.	N.A.
Schering	526	N.A.
SEL	N.A.	N.A.
Siemens	573.90	N.A.
Thyssen	146.50	N.A.
Veba	235.50	N.A.
Volkswagenwk	448	N.A.
Wella	N.A.	N.A.

Commerzbank Index: N.A.
Previous: N.A.
Source: Reuters.

Hong Kong

	Close	Prev.
Bk East Asia	17.90	17.80
Cathay Pacific	5.40	5.35
Cheung Kong	20.40	20.50
China Light	15.40	15.20
Green Island	N.A.	N.A.
Hang Seng Bk	34.25	34.25
Henderson	2.30	2.30
China Gas	N.A.	N.A.
HK Electric	8.85	8.90
HK Realty A	11.20	11.20
HK Hotels	34.50	34.50
HK Land	6	6.05
HK Shang Bk	6.65	6.70
HK Telephone	11.90	11.80
HK Yaumatei	N.A.	N.A.
HK Wharf	7.15	7.15
Hutch Whamp	28.60	28.90
Hysan	N.A.	N.A.
Jardine	13.70	13.50
Jardine Sec	13.50	13.10
Kowloon Motor	N.A.	N.A.
Miramar Hotel	N.A.	N.A.
New World	6	6
SHK Props	12.20	12.20
Stelux	1.65	1.64
Swire Pacific A	11.80	11.90
Tai Cheung	1.93	1.95
Wing On Co	1.42	1.58
Winsor	8.10	8.20
World Int'l	2.60	2.625

Hang Seng Index: 1763.36
Previous: 1764.13
Source: Reuters.

Johannesburg

	Close	Prev.
AECI	N.A.	N.A.
Anglo Amer.	5000	N.A.
Anglo Am Gold	N.A.	N.A.
Barlows	N.A.	N.A.
Blyvoor	N.A.	N.A.
Buffels	7475	N.A.
De Beers	3130	N.A.
Driefontein	5500	N.A.
Freegold 3350	N.A.	
GFSA	4300	N.A.
Harmony	3600	N.A.
Hiveld Steel	N.A.	N.A.
Kloof	2350	N.A.
Nedbank	N.A.	N.A.
Rusplat	4110	N.A.
SA Brews	N.A.	N.A.
St Helena	4375	N.A.
Sasol	N.A.	N.A.
Welkom	2175	N.A.

Composite Stock Index: N.A.
Previous: N.A.
Source: Reuters.

London

	Close	Prev.
AA Corp	$10⅛	$N.A.
Allied-Lyons	326	N.A.
AngloAm Gold	$51⅜	N.A.
Ass Brit Foods	N.A.	N.A.
Asda-MFI Gp	144	N.A.
Barclays	524	N.A.
Bass	N.A.	N.A.
B.A.T.	395	N.A.
Beecham	418	N.A.
BL	N.A.	N.A.
Blue Circle	615	N.A.
BOC Group	314	N.A.
Boots	235	N.A.
Bowater Indus	313	N.A.
BP	571	N.A.
Brit Telecom	198	N.A.
Brit Aerospace	N.A.	N.A.
Britoil	N.A.	N.A.
BTR	310	N.A.
Burmah	403	N.A.
Cable Wireless	688	N.A.
Cadbury Schw	172	N.A.
Charter Cons	248	N.A.
Commercial U	313	N.A.
Cons Gold	432	N.A.
Cookson Group	N.A.	N.A.
Courtaulds	286	N.A.
Dalgety	N.A.	N.A.
De Beers	628	N.A.
Driefontein	$11⅛	$N.A.
Fisons	613	N.A.
Free St Ged	$6⅜	$N.A.
GEC	196	N.A.
Gen Accident	852	N.A.
GKN	348	N.A.
Glaxo	972	N.A.
Grand Met	380	N.A.
GRE	909	N.A.
Guinness	N.A.	N.A.
GUS	10⅛	N.A.
Hanson	N.A.	N.A.
Hawker	533	N.A.
ICI	984	N.A.
Imperial Gp	N.A.	N.A.
Jaguar	N.A.	N.A.
Land Sec	334	N.A.
Legal General	263	N.A.
Lloyds Bank	424	N.A.
Lonrho	N.A.	N.A.
Lucas	578	N.A.
Marks & Sp	199	N.A.
Metal Box	720	N.A.
Midland Bank	547	N.A.
Nat West Bank	517	N.A.
P and O	491	N.A.
Pilkington	N.A.	N.A.
Plessey	218	N.A.
Prudential	859	N.A.
Racal Elect	N.A.	N.A.
Randfontein	$N.A.	$N.A.
Rank	587	N.A.
Reed Intl	10⅛	N.A.
Reuters	480	N.A.
Royal Dutch £	51⅜	N.A.
RTZ	571	N.A.
Saatchi	N.A.	N.A.
Sainsbury	N.A.	N.A.
Sears Holdings	N.A.	N.A.
Shell	781	N.A.
STC	N.A.	N.A.
Std Chartered	732	N.A.
Storehouse	N.A.	N.A.
Sun Alliance	N.A.	N.A.
Tate & Lyle	583	N.A.
Tesco	N.A.	N.A.
Thorn EMI	451	N.A.
T.I. Group	523	N.A.
Trafalgar Hse	N.A.	N.A.
THF	156	N.A.
Ultramar	146	N.A.
Unilever £	17⅛	N.A.
United Biscuits	N.A.	N.A.
Vickers	430	N.A.
War Loan 3½ £	38⅛	N.A.
Woolworth	635	N.A.

F.T. 30 Index: 1,304.20
Previous: 1,302.60
F.T.S.E. 100 Index: 1,597.30
Previous: 1,573.00
Source: Reuters.

Milan

	Close	Prev.
Banca Comm	N.A.	N.A.
Cigahotels	N.A.	N.A.
Cred Ital	N.A.	N.A.
Eridania	N.A.	N.A.
Formitalia	N.A.	N.A.
Fiat	12300	12135
Generali	N.A.	N.A.
IFI	22900	23370
Italcementi	71500	71100
Italgas	3100	3020
Italmobiliari	N.A.	N.A.
Mediobanca	214950	214950
Montedison	3158	3155
NBA	N.A.	N.A.
Olivetti	15200	15400
Pirelli	4890	4996
RAS	N.A.	N.A.
Rinascente	981	1001
SIP	N.A.	N.A.
SME	N.A.	N.A.
Snia	4896	4985
Standa	N.A.	N.A.
Stet	4975	5058

M.I.B. Current Index: N.A.
Previous: N.A.
Source: Reuters.

Paris

	Close	Prev.
Air Liquide	751	752
Alsthom Atl.	N.A.	N.A.
Av. Dassault	N.A.	N.A.
Bancaire	1195	1170
BIC	N.A.	N.A.
Bongrain	N.A.	N.A.
Bouygues	N.A.	N.A.
BSN-GD	3845	3740
Carrefour	3268	3255
Chargeurs	1230	1185
Club Med	N.A.	N.A.
Darty	N.A.	N.A.
Dumez	N.A.	N.A.
Elf-Aquitaine	282	280
Europe 1	N.A.	N.A.
Gen Eaux	N.A.	N.A.
Hachette	2650	2680
Lafarge Cop	1302	1327
Legrand	N.A.	N.A.
Lesieur	N.A.	N.A.
L'Oreal	3645	3590
Martell	N.A.	N.A.
Matra	N.A.	N.A.
Merlin	N.A.	N.A.
Michelin	3075	3070
Moet Hennessy	2220	2125
Moulinex	N.A.	N.A.
Occidentale	972	964
Pernod Ric	958	906
Perrier	782	760
Peugeot	942	930
Printemps	557	560
Radiotechn	915	910
Redoute	1705	1715
Roussel Uclaf	1490	1410
Sanofi	N.A.	N.A.
Skis Rossignol	N.A.	N.A.
Telemecan	3250	3260
Thomson CSF	1390	1375
Total	N.A.	N.A.

CAC Index: N.A.
Previous: N.A.
Source: Reuters.

Zurich

	Close	Prev.
Adia	6650	N.A.
Alusuisse	640	N.A.
Autophon	7250	N.A.
Bank Leu	3300	N.A.
Brown Boveri	1660	N.A.
Ciba Geigy	3200	N.A.
Credit Suisse	3640	N.A.
Elektrowatt	3325	N.A.
Interdiscount	4450	N.A.
Jacob Suchard	8050	N.A.
Jelmoli	3350	N.A.
Landis Gyr	2000	N.A.
Moevenpick	6500	N.A.
Nestle	8000	N.A.
Oerlikon B	N.A.	N.A.
Roche Baby	9825	N.A.
Sandoz	1580	N.A.
Schindler	3400	N.A.
Sulzer	540	N.A.
Surveillance	N.A.	N.A.
Swissair	1370	N.A.
SBC	514	N.A.
Swiss Reinsur	N.A.	N.A.
Swiss Volksbk	N.A.	N.A.
Union Bank	N.A.	N.A.
Winterthur	6050	N.A.
Zurich Ins.	3075	N.A.

SBC Index: N.A.
Previous: N.A.
Source: Reuters.

*N.Q.: not quoted; N.A.: not available; xd: ex-dividend.

Toronto *July 15*

Canadian stocks via AP

Sales	Stock	High	Low	Close	Chg.
1540	Abti Prce	$23½	23	23	+ ¼
100	Acklands	$19½	19½	19½	
5415	Agnico E	$22	22	22	
4000	Agra Ind A	$15¾	15⅝	15¾	+ ⅛
23866	Alt Energy	$9⅞	9⅝	9⅞	
3500	Alta Nat	$12½	12¼	12½	
6923	Algoma St	$14⅝	14⅝	14⅝	
1886	A Borick	$14	14	14	— ⅛
2956	Atco I f	$9¼	9	9	— ⅛
87342	BCED	380	365	365	—10
2700	BCED A	$6¼	6⅛	6¼	+ ⅛
149	BP Canada	$27	27	27	— ¼
428543	Bank BC	320	300	300	—20
127094	Bank N S	$16⅛	15⅞	16⅛	+ ¼
51800	Baton	$24⅝	24½	24½	
36125	Bonanza R	140	122	132	—10
1477	Bralorne	135	130	130	
1900	Bramalea	$22½	22½	22½	— ¼
4000	Brenda M	$8⅛	8⅛	8⅛	
3985	BCFP	$13⅝	13⅝	13⅝	
37118	BC Res	122	115	115	— 3
10025	BC Phone	$27⅛	27	27	
700	Brunswk	$12½	12⅝	12⅝	
1880	Budd Can	$34⅝	34⅝	34⅝	— ⅛
92985	CAE	$12⅛	11⅞	11⅞	— ⅛
2000	CCL A	$19	19	19	
8700	CCL B f	$19	18⅝	18⅝	— ¼
14325	Cad Frv	$25	24¼	24¼	— ½
2525	Campeau f	$26⅝	26⅝	26⅝	— ¼
3244	C Nor West	$13⅝	13½	13½	
9525	C Packrs	$17	16½	16½	— ½
100	Can Trust	$48	48	48	
1107	C Tung	$8⅝	8½	8½	
10	CGE	$102	102	102	— 3
72819	CI Bk Com	$17⅞	17⅝	17⅝	— ⅛
66503	CTire A f	$15	14⅝	14⅝	— ¼
352	C Util B	$19	19	19	
8995	Cara	$10½	9⅝	9⅝	— ⅞
7598	Celanese	$17⅛	17	17⅛	
700	Celan 175 p	$21⅝	21½	21⅝	+ ½
280	Centrl Tr	$18	18	18	— ⅛
233225	Cineplex	$19⅝	18	19	— ⅛
11900	C Distb A	$7	6⅞	7	+ ⅛
15480	CDistb B f	$7	6⅞	6⅞	— ⅛
4450	CTL Bank	$10⅝	10½	10½	— ¼
700	Conwest A	$8⅝	8½	8½	— ¼
10950	Coseka R	90	78	82	+ 3
4600	Conron A	$18¼	18	18	— ¼
6145	Crownx	$30⅛	29⅞	29⅞	— ⅝
2500	Czar Res	138	136	136	
8000	Denison A p	$6½	6¼	6¼	
35750	Denison B f	$6¼	6	6	— ⅛
2000	Develcon	345	335	335	—10
12800	Dicknsn A f	$7⅞	7⅞	7⅞	
4300	Dicknsn B	$7⅞	7⅞	7⅞	
3150	Dofasco	$27⅝	27⅝	27⅝	
350	Du Pont A	$36⅝	36⅝	36⅝	+ ⅛
27650	Dylex A	$18	17⅝	18	
200	Elcthom X	$12	12	12	
1000	Emco	$30⅝	30¼	30¼	— ½
4000	Equity Svr	400	390	390	—10
550	FCA Intl	$17½	17	17	— ¾
4382	C Falcon C	$18⅛	18	18	— ¼
58910	Ficnbrdge	$19½	19¼	19¼	— ¼
11904	Fed Ind A	$16⅝	16½	16½	+ ⅛
9780	F City Fin	$15	14½	14½	— ¼
2500	Gendis A	$19½	19½	19½	
3900	Geac Comp	$5⅝	5½	5⅝	
3200	Gibraltar	$9⅞	9⅞	9⅞	
34200	Goldcorp f	$9⅝	9⅝	9⅝	— ⅛
100	Grafr G	$6⅛	6⅛	6⅛	— ¼
35580	GL Forest	$21¾	21⅜	21⅜	
308	Gt Pacific	$25⅝	25¼	25⅝	+ ⅜
1900	Greyhnd	$44⅛	44	44	— 1
900	Hawker	$27⅛	27	27⅛	
10611	Hayes D	$27⅛	27½	27½	
18655	Hees Intl	$15⅝	15⅝	15⅝	+ ⅛
100	Hollinger f	$34⅞	34½	34½	— ⅜
4338	H Bay Co	$23⅞	23½	23½	— ½
27079	Imasco	$28¼	28	28¼	+ ¼
54700	Indal	$34⅞	34⅜	34⅜	— ⅜
1000	Inglis	$15	14⅞	14⅞	— ⅛
3200	Inland Gas	$21	21	21	
10650	I Corona o	$12⅝	12⅛	12⅛	
40700	Intl Thom	$19⅝	19⅛	19⅝	+ ¼
11950	Inter Pipe	$11⅞	11⅛	11⅛	— ⅛
75	Ipsco	$43⅝	43½	43½	+ ⅛
300	Ivaco B	$8⅝	8⅝	8⅝	— ⅛
12674	Janneck	$23	23	23	— ¼
13000	Kelsey H	$26	25⅝	25⅝	— ⅛
7100	Kerr Add	$26	25½	25½	— ½
6175	Labatt	$15⅝	15⅛	15⅛	— ⅛
74000	Lacana	$23⅛	22⅞	22⅞	— ¼
		$8½	8⅝	8⅝	— ⅛
3900	LOnt Cem	$24⅛	24	24	[illegible]
22520	Loblaw Co	$12⅝	12⅛	12⅛	[illegible]
4200	Lumonics	$14⅝	14⅛	14⅛	[illegible]
41948	Magna A f	$32⅝	31⅝	32	[illegible]
5000	MDS H A	$17	17	17	[illegible]
2950	MICC	$7	6⅞	7	[illegible]
16410	Mclan H X	$20	19½	19½	[illegible]
1196	Maritime f	$15½	15¼	15⅛	[illegible]
9040	Molson A f	$28⅝	28⅛	28⅛	[illegible]
600	Molson B	$28¼	28¼	28⅛	[illegible]
200	Murphy	$16½	16½	16½	[illegible]
28080	Nabisco L	$42¼	41¾	41¾	[illegible]
38210	Noranda	$17½	17¼	17½	[illegible]
700	Norcen	$12⅞	12⅞	12⅞	[illegible]
814848	Nva AltA f	470	460	470	[illegible]
23050	Nowsco W	$11⅛	11⅛	11⅛	[illegible]
13187	NuWst sp A	28	27	28	[illegible]
100	Oakwood	230	230	230	[illegible]
54700	Omnibus o	$5⅞	5	5⅛	[illegible]
29021	Oshawa A f	$23⅞	23⅛	23½	[illegible]
17780	Pac W Airln	$16⅛	16⅛	16⅛	[illegible]
10000	Pamour	$9⅝	9⅝	9⅝	[illegible]
29200	PanCan P	$24½	24⅛	24⅛	[illegible]
2000	Pembina	$13⅞	12⅞	13⅞	[illegible]
320	Pine Point	$9½	9	9	[illegible]
31148	Placer	$24½	24⅛	24½	[illegible]
200	Que Sturg o	410	410	410	[illegible]
1200	Rayrock f	$5⅞	5⅞	5⅞	[illegible]
25341	Redpath	$29	28⅛	28⅛	[illegible]
990	ReedSt 1 Sp	$52½	52	52	[illegible]
1100	Rogers A	$22⅝	22⅛	22⅛	[illegible]
1100	Roman	$9	8⅝	8⅝	[illegible]
100	Rothman	$38⅝	38½	38½	[illegible]
830	Sceptre	255	250	250	[illegible]
43075	Scotts f	$38⅛	38¼	38⅛	[illegible]
30121	Sears Can	$14⅝	14⅛	14⅛	[illegible]
12810	SHL Systm	$22⅝	22⅛	22⅛	[illegible]
3286	Shell Can	$28⅝	28⅛	28⅛	[illegible]
7939	Sherritt	$6¼	6⅛	6⅛	[illegible]
13500	Slater B f	$15	15	15	
1535	Southam	$35⅛	35	35	[illegible]
3550	Spar Aero f	$26	25⅛	25⅛	[illegible]
76120	Stelco A	$24½	24¼	24½	[illegible]
7000	Sulpitro	$3	3	3	[illegible]
35	Teck Cor A	$22⅜	22⅜	22⅜	[illegible]
25854	Teck B f	$22½	22⅛	22⅛	[illegible]
23600	Tex Can	$35	34⅞	35	[illegible]
35350	Thom N A	$31⅞	30½	30½	[illegible]
46834	Tor Dm Bk	$23⅛	22⅞	22⅞	[illegible]
15949	Torstar B f	$31	30½	30½	[illegible]
212	Traders A f	$47	47	47	
450	Trns Mt	$13	13	13	[illegible]
300	Trinity Res	44	44	44	[illegible]
99344	TrnAlta UA	$28⅛	28⅛	28⅛	[illegible]
75134	TrCan PL	$16⅛	16⅛	16⅛	[illegible]
3004	Trimac	257	250	251	[illegible]
31350	Trilon A	$32⅛	31⅝	31⅝	[illegible]
31050	Trizec A f	$29½	29⅛	29⅛	[illegible]
106200	Turbo	49	48	48	[illegible]
12900	Unicorp A f	$9⅝	9⅛	9⅛	[illegible]
1400	Un Carbid	$17⅛	17	17⅛	[illegible]
2754	U Entprise	$12¼	12	12⅛	[illegible]
2800	U Keno	$7⅛	7⅛	7⅛	[illegible]
3090	Versil A f	210	210	210	[illegible]
100	Vestgron	42	42	42	[illegible]
3895	Wardair	$17	16⅞	17	[illegible]
966	Westmin	$7⅞	7⅞	7⅞	[illegible]
4395	Weston	$33	32⅞	32⅞	[illegible]
5048	Woodwd A	$7⅛	7	7	

Total sales 14,761,757 shares

	Close	Previous
TSE 300 Index:	2,977.30	

Montreal *July 15*

Sales	Stock	High	Low	Close	Chg.
17901	Bank Mont	$32⅛	32	32	
2388	BombrdrA	$21⅝	21½	21⅝	
7960	BombrdrB	$21⅝	21⅝	21⅝	
550	CB Pak	$27⅛	27	27	
36673	Cascades	$14⅝	14⅛	14⅛	
3900	ConBath	$24⅛	24⅛	24⅛	
8904	DomTxtA	$19⅛	18⅞	19	
3315	MntTrst	$11½	11⅛	11⅛	
8059	NatBk Cda	$26⅝	26⅛	26⅛	
16030	Noverco	$12⅝	12⅛	12⅛	
52925	Power Corp	$17⅛	16½	17	
27520	Provigo	$21⅛	21⅛	21⅛	
460	RollandA	$29⅛	29⅛	29⅛	
20938	Royal Bank	$32⅛	32⅛	32⅛	
17771	RoyTrstco	$38⅛	38⅛	38⅛	
1750	SteinbrgA	$43⅛	42⅝	43	

Total Sales 3,227,938 shares.

	Close	Previous
Industrials Index:	1,265.48	

To Our Readers

Because of a strike at Agence France-Presse, the World Stock Markets reports are missing from this edition. We regret the inconvenience to readers.

TRAVEL.

IN THE IHT EVERY FRIDAY.
A MULTI-PAGE LEISURE SECTION ON THE WORLD'S MOST EXOTIC DESTINATIONS. ALSO ARTICLES ON FOOD, WINE, SHOPPING

SPORTS

Turnberry Tightens Up for the British Open

...filed by Our Staff From Dispatches

TURNBERRY, Scotland — It's ...Nostalgia Open by now, two ...s for the ages by players who ...t be remembered as just any ...n or Jack of golf. It's the ... Open that gets replayed ...by the watchers than by the ...

... Watson has a tape of that ...pen, the one in which he ...the four-round record by an ...ing eight strokes, but he ...almost never looks at it. "I burned mine," laughed Jack Nicklaus, who also obliterated the tournament record, shooting 65-66 the last two rounds but still losing to Watson by a stroke.

The 115th British Open starts here Thursday, and as Nicklaus and Watson have changed in nine years, so has the course whose fame they enhanced by giving it a good spanking. Turnberry has let its hair grow long; it has also shrunk. Some of the players have been barely able to scrape the ball more than a few yards from knee-high rough during the last few days. And it's been a push this week about which is tighter, a Scotsman with his purse or the Turnberry fairways.

Watson and Nicklaus are to blame. "I'm surprised there are fairways at all, after the last time here," Nicklaus said. "Actually, there are places in the rough that you can find your ball. But not many."

"The course is quite a lot different" from 1977, Watson said. "In addition to no rough, the only bit of green back then was some heavy stuff to the right of No. 3." And the tournament "is so much more commercial now." He glanced toward tent after tent built by golfing hucksters. "Literally a new city."

Ten years his senior, Nicklaus has won more recently than Watson. Much more recently, and a major — the Masters, at that. Watson is reminded of a victory drought that has lasted since November of 1984, and that perhaps his "era" has passed. Winning? "I miss it a lot," he said.

But Watson often has gotten well in Scotland. Four of his five British Open victories have been on Scottish courses. Yet some feel his game has not been the same since going awry on the 71st hole of the 1984 tournament that Seve Ballesteros won at St. Andrews. Of all things, he seems to have misplaced his once-flawless putting stroke.

"I can't go back to '77 this week, but no question the memories will help on certain shots and how to deal with the wind. I'll use everything in a positive way."

Is he as hungry as ever for a major?

"Yes," he said. "A simple yes."

Not thrilled that Turnberry is so unforgiving off the tee and around the greens, Watson nonetheless calls it "an honest course."

"Because it calls for shotmaking," he added, "and doesn't favor one kind of player. I love bump-and-run golf, where you hit the ball 40 yards short and try to run it three or four feet from the hole."

At the current odds of 9-to-1, Watson said he would bet on himself. "I'd never bet on something like 5-to-1 or 6-to-1," he said. "That's too much against the field. But 9-to-1 is a fair bet."

Is he taking any of the action?

"I'll never tell."

Both Sandy Lyle, the defending British Open champion, and Raymond Floyd, the U.S. Open titlist, are also relaxed and confident.

Floyd says he "feels a tingle," knowing that winning here would make him the fifth player in history to complete golfing's modern grand slam — the U.S. and British Opens, the Masters and the PGA Championship.

Floyd has performed well in previous British Opens going back to 1969, and it has now become the tournament he really wants to win, not just to complete a grand slam, but because this championship is older and has a longer tradition than the U.S. Open. "In golf," he said, "this is the championship of the world."

Only three players in the last 25 years have successfully defended the British Open championship — Arnold Palmer in 1962, Lee Trevino in 1971 and Tom Watson in 1983 — but Lyle is optimistic anyway. "I feel that having won the title," Lyle said after a practice round, "I will be under less pressure than so many in the field who are desperate to win." *(WP, NYT)*

Robert Decr/The Associated Press

Ian Langer, thinking things over on the ninth tee.

Open Question: What's in 18 Names?

The Associated Press

TURNBERRY, Scotland — The names of the holes on the Ailsa course, where the 115th British Open Golf Championship will be played, offer glimpses of history from 1306 through World War I:

No. 1: Ailsa Craig: Named from the 1,100-foot (334-meter) mound of rock in the Firth of Clyde, visible from almost every part of the course. **No. 2: Mak Siccar:** "Make Sure." **No. 3: Blaw Wearie:** "Out of Breath" (a condition common on a par-5 hole when played directly into the wind).

No. 4: Woe-Be-Tide: A hint to stay away from the Firth of Clyde on this seaside hole. **No. 5: Fin me Oot:** "Find me Out." **No. 6: Tappie Tourie:** "Tourie" means "a thing on top" (hence a shot to an elevated green).

No. 7: Roon the Ben: "Around the Mountain." **No. 8: Goat Fell:** The name of the tallest peak on the island of Arran, across the Firth to the northeast. **No. 9: Bruce's Castle:** Robert the Bruce was a Scottish king from 1326-1329; the remains of his castle lie between the eighth green and the ninth tee.

No. 10: Dinna Fouter: "Don't Mess Around." **No. 11: Maidens:** The name of the village to the north of the course. **No. 12: Monument:** A monument on the hill above the green commemorates the airmen of World War I stationed at Turnberry.

No. 13: Tickly Tap: A short par-4 calling for a delicate second shot. **No. 14: Risk-An-Hope:** A par-4 requiring two bold, accurate shots. **No. 15: Ca' Canny:** "Take Care."

No. 16: Wee Burn: The "little stream" fronts the green. **No. 17: Lang Whang:** Two long hits are necessary on this par-5. **No. 18: Ailsa Hame:** Ailsa's home hole.

Reuters-United Press International

Chris Brown beat the passed-ball relay from Rich Gedman to Charlie Hough in the eighth.

American All-Stars Win by 3-2

By Michael Martinez
New York Times Service

HOUSTON — The pregame buildup had been about pitching, about Dwight Gooden and Roger Clemens and their memorable achievements as baseball's two dominant pitchers.

But Gooden was merely a footnote Tuesday night, his work reduced to three innings and the home run he permitted in the second inning. Clemens, the Boston Red Sox right-hander, became the leading character in a game that came down to pitching and helped the American League to a 3-2 victory over the Nationals in the 57th All-Star Game.

Clemens — performing in the Astrodome, not far from where he grew up — was the winning pitcher and the game's most valuable player. Gooden, whose season has been marked by similar struggles, was the loser.

Clemens started and retired all nine batters he faced, and the American League held on after Charlie Hough gave up two runs in the bottom of the eighth.

The evening included a climactic finish: Don Aase got Chris Brown to hit into a game-ending double play after the National League had runners at first and third with one out.

It did not necessarily end the lengthy slump that the American League has endured in this series, but it was a start. It had lost two games in a row, 13 of 14 and and 21 of 23. The Americans had not won in a National League park since 1962, at Wrigley Field.

"I know I took this game for real," said Dick Howser, the winning manager. "We've been in the back seat for so long."

Clemens threw 25 pitches — 21 of them for strikes — and then Ted Higuera retired the first four batters he faced before Darryl Strawberry lined a single to right in the fifth inning.

But the night was not theirs alone. Fernando Valenzuela followed Gooden in the fourth and struck out the first five batters he faced. It was a feat that had been accomplished only once before in an All-Star Game: Carl Hubbell did it in 1934 when he struck out, in order, Babe Ruth, Lou Gehrig, Jimmie Foxx, Al Simmons and Joe Cronin. All five are in the Hall of Fame.

Valenzuela's victims were less formidable: Don Mattingly, Cal Ripken and Jesse Barfield in the fourth, then Lou Whitaker and Higuera to open the fifth. Higuera, who pitches for Milwaukee, had never gone to bat in a major-league game before.

The National League finished with 12 strikeouts, tying an All-Star Game record, and the American League had seven. Gooden had two strikeouts, but they were his only worthy moments.

The New York Met right-hander, selected to start the game against Clemens, worked a scoreless first and had two outs in the second before Dave Winfield doubled to right field and Whitaker hit an 0-and-2 pitch over the fence in right.

"That's been the problem all year," Gooden said later. "One mistake pitch and I get hurt."

Asked later about the pitch, Whitaker said: "It was a curve that didn't break, and I just managed to get it out. I didn't have any illusions. I'm not a home-run hitter."

Nor is Frank White, but he added a bases-empty homer as a pinch-hitter for Whitaker in the seventh, and it was decisive. It came off Mike Scott of the Houston Astros.

"You come into this game and see all the great players," White said, "and you have an idea in your mind about who the stars might be. But in this game, you never really know what might happen."

The evening fell out of its orderly fashion, however. Charlie Hough, the Texas Ranger knuckleball specialist, replaced Higuera in the seventh and the Nationals made a belated rally in the eighth. Hough was working with Rich Gedman, the Boston catcher, who had never handled a knuckleball pitcher before. Hough gave Gedman an oversized glove, but their eighth inning was an adventure.

Brown opened with a double to left. Hough then struck out Chili Davis on a knuckler that bounced in front of Gedman; the ball skipped past him, but Gedman retrieved it and made an fine off-balance throw to first, nailing Davis as Brown took third.

Hough then struck out Hubie Brooks, but the ball again popped out of the catcher's glove — rolling far enough away for Brooks to reach first and Brown to score (beating the throw from Gedman to Hough). Hough then balked Brooks to second, struck out Tim Raines and yielded a run-scoring single to Steve Sax.

Dave Righetti replaced Hough; Sax stole second, but was stranded as Glenn Davis popped to third.

"The balls he missed didn't really get away from him," Hough said of Gedman. "He just missed them with his glove."

When someone wondered whether Gedman preferred to catch Hough or Clemens, he deadpanned: "I'd say Roger — at least I know where the ball is going to be."

Righetti lost a chance for the save when he gave up one-out singles to Jody Davis and Dave Parker in the ninth. Howser pulled him for Aase.

Aase threw two pitches, the second a slider. Brown tried to check his swing, but it was a routine bouncer to second. White stepped on the bag, then threw to Mattingly to end the game.

"I didn't know anything about Brown when I got in," Aase said. "I figured he knew more about me than I knew about him — that I was a fastball pitcher. So I figured I could fool him with a slider." And he did.

Clemens was gone by then, but he was not forgotten. "With all the home folks here," he said later, "I was really jumping.

"The best part was when I walked in the dugout and saw all those great players in there with me. I thought we'd made a major trade."

Mond, Winner in Mountains, Closes In on Hinault

By Samuel Abt
International Herald Tribune

...ON, France — Greg LeMond easily won a de...climb through the Pyrenees on Wednesday and ...ithin 40 seconds of the overall leader, Bernard ...who had been trying to make a rout of the Tour de ...e world's greatest bicycle race.

...d, an American who rides for the Vie Claire team, ...tables on his French teammate, who on Tuesday ...on a breakaway that gave him a lead of nearly five ...minutes over LeMond.

...tried to repeat that ploy on Wednesday, taking off ...st of four big climbs and building a lead that ...wo minutes, 30 seconds. Had he been able to hold ...e would have been over long before its scheduled ...27 in Paris.

...weather was too hot, in the high 80s Fahrenheit ...s centigrade), and the stage too long and tiring. It ...86 kilometers (115 miles) from Pau to the resort of ...néres, high above the town of Luchon.

...last climb, 1,770 meters (5,840 feet) through tens of ...of spectators, Hinault ran out of gas. One by one, ...who had been chasing him for nearly 100 kilometers ...

...p to Hinault and asked him if I should stay and help ...uld keep going," LeMond explained afterward. "He ...uld follow the others. He's a very generous guy."

...d finished in 6 hours, 6 minutes and 37 seconds, ...alone over the last five kilometers. Second was ...Millar, a Scot with Panasonic, a minute and 12 seconds behind; Urs Zimmermann, a Swiss with Carrera, was third, 1:15 behind, with Luis Herrera, a Colombian with Café de Colombia, fourth, and Andy Hampsten, another American with La Vie Claire, fifth.

Hinault was 11th on the day, 4:39 behind LeMond and 19 seconds ahead of Alexi Grewal, an American who rides for the 7-Eleven team and finished 12th.

□

On the victory podium, Hinault looked resplendent as the sunlight burnished his yellow jersey, but his face showed traces of fatigue and anxiety. Behind LeMond, 40 seconds back in the overall standings based on least elapsed time, stand three strong climbers.

They are Zimmermann, third overall (2:58 behind); Millar, fourth at 3:32, and Pedro Delgado, a Spaniard with PDM, who is 6 minutes 48 seconds behind. Hampsten ranks sixth.

"Happy? Do I feel happy?" LeMond asked incredulously at the finish line, echoing a question. "This is one of my great days. It's been a long time since I won a race this important."

Since his victory in the world road-race championship in 1983, LeMond has consistently finished high (including a third place in the 1984 Tour de France and second place last year) but has not won anything more important than the Coors Classic in Colorado last summer. He did win an individual time trial in the last Tour de France, but too late in the race to affect the outcome.

After Hinault's breakaway with Delgado on Tuesday, LeMond was left vulnerably close to the point where he would have to work for Hinault's interests and not his own. Had Hinault's breakaway succeeded Wednesday, and had his lead over LeMond mounted to eight minutes or so, the choice would have been made for the American.

"The race isn't over yet," LeMond insisted Wednesday morning before the start, his hangdog looks belying his words. "I don't think anybody has won it yet and I don't think I've lost it yet. We'll know more tonight."

He didn't sound like a winner then. But he rode strongly all day as the pack parted into sections when the road began climbing through the sweet-smelling meadows of the Pyrenees. On the first ascent, up the 2,115-meter Tourmalet, LeMond stayed with the leaders, chasing a breakaway, Dominique Arnaud of the T.S. Reynolds team.

On the descent, a series of hairpin curves into a green-velvet valley, Hinault broke away and chased alone after Arnaud. He caught him after the next climb, to the Aspin Pass, and rode with him a while approaching the Peyresourde Peak (like the Aspin, a climb rated first-class in height and difficulty).

Then Hinault rode off alone as Arnaud, a former teammate, threw him a brisk salute. Hinault was not caught until the start of the final ascent, to Superbagnères — rated, like the Tourmalet, beyond category. And then LeMond, with Hampsten's strong aid, went off to victory.

Despite the water poured over them by spectators and the many pushes up hills, the field was reduced to 164 riders Wednesday night, 10 fewer than started. A major casualty was Laurent Fignon, the winner of the tour in 1983 and 1984, who stayed in Pau Wednesday morning, suffering from a fever and an unrecoverable deficit of more than 12 minutes in the overall standings.

BRIDGE

...

Enroe Set to Start His Comeback

By Tim Liotta
The Associated Press

...EWOOD, California — ...months away from com...nnis, a new and improved ...Enroe is ready to come ...

...ust going to have to get ...ugh," McEnroe said at a ...ference here Tuesday. "It ...te three or four months or ...take two weeks. It might ...k fast. I hope it does. I'm ...g to flow with it."

...oe has spent the last six ...elaxing "just clearing my ...e expects his game to be ...irst but that he'll eventual...etter than ever.

...ying to prepare myself for ...couple of years." McEnroe ...s not as worried about the ...te future right now. I'm ...get myself ready for the ...e '80s."

...oe says he'll be sporting a ...e amiable attitude. "Fam...changes you," he said. "It ...s like a broken record for ...who has had a kid. It's ...est thing that could ever ...o me. You've just got to thank God every day, and it's just wonderful, you just feel nice.

"It's almost going to be like I'm too nice. It's going to be scary."

McEnroe left tennis last January after winding up a disappointing year with a loss to Brad Gilbert in the Masters tournament. His game was in shambles, his nerves raw.

AP

John McEnroe
... "Almost too nice?"

The McEnroe who turned up Tuesday afternoon at the Forum was engaging, displaying a wry wit and new-found maturity. He credits his 7-week-old son, Kevin, and his fiancée, actress Tatum O'Neal.

He denied reports that surfaced in British newspapers that he needed the time off to enter a drug rehabilitation center. "That's absolutely wrong. What more can you say? The only reason it happened was because I had not been seen around by the English press in a couple of months, so they sent people over to fish up things," he said.

At one point during his layoff, he went almost a month without picking up a racket. Since his son's birth, McEnroe has been working out and has supplemented tennis with yoga to help his flexibility.

"I'm definitely working a lot harder," he said. "I'm trying different things. I'm already in better shape. I'm probably in better shape than I was in January."

McEnroe's first match is scheduled for July 24 when he meets Ivan Lendl in an exhibition encounter here. He'll play in a tournament at Stratton, Vermont, beginning Aug. 4, and perhaps one other before the U.S. Open at the end of August.

Of the open, he said: "I'm not going there with the intention of not winning."

The recently concluded Wimbledon, which saw Boris Becker win his second straight championship, gave McEnroe a further sign that his competitive spirit is in good shape.

"The good part of it was that it made me realize that I still wanted to do it, that I could have been there and won that tournament if the circumstances were a little different," he said.

The new McEnroe fully expects to be better than the old one — and the old one won four U.S. Open championships and three Wimbledon titles.

An attraction as much for his short temper as his court play, McEnroe said the sport hasn't been as alluring since he left.

"There's no question that tennis is at one of the down cycles right now, in terms of excitement in the game," he said. "A lot of people came up to me and said they don't even watch tennis anymore. That's about the best compliment I could get."

SPORTS BRIEFS

ysia Announces Boycott of Games

...A LUMPUR, Malaysia (Reuters) — Malaysia announced ...ay that it will boycott the Commonwealth Games later this ... Edinburgh to protest Britain's refusal to impose economic ... on South Africa.

...sia is the first Asian Commonwealth country to withdraw from ...s following a decision last week by five black African nations to ...he event because of Britain's stance on sanctions.

The Record

...polis and Minneapolis, respectively, have been selected to host ...and 1992 finals of the NCAA basketball tournaments. *(AP)*

...e Nehemiah, the U.S. world record holder in the 110-meter ...t 12.93 seconds, was reinstated as an amateur Wednesday by the ...onal Amateur Athletic Federation after pledging to give up ...nal football. Nehemiah lost his amateur status in 1982 when ...the San Francisco 49ers of the National Footbal League. *(AP)*

able

...yon of the Philadelphia Inquirer: "If at first you don't succeed, ...f the loser gets anything." *(LAT)*

SCOREBOARD

All-Star Baseball

1986 Summary

BATTING: AMERICAN

	ab	r	h	2b	3b	hr	rbi
Puckett cf	3	0	1	0	0	0	0
R. Henderson lf	3	0	0	0	0	0	0
Moseby lf	0	0	0	0	0	0	0
Boggs 3b	3	0	1	0	0	0	0
h-Jacoby ph-3b	1	0	0	0	0	0	0
Lan. Parrish c	3	0	0	0	0	0	0
I-Rice ph	1	0	0	0	0	0	0
Gedman c	0	0	0	0	0	0	0
Joyner 1b	1	0	0	0	0	0	0
b-Mattingly ph-1b	3	0	0	0	0	0	0
Risken ss	4	0	0	0	0	0	0
T. Fernandez ss	0	0	0	0	0	0	0
Winfield rf	1	1	1	1	0	0	0
c-Barfield ph-rf	3	0	0	0	0	0	0
Whitaker 2b	2	1	1	0	0	1	2
f-White ph-2b	2	1	1	0	0	1	1
Clemens p	1	0	0	0	0	0	0
Higuera p	1	0	0	0	0	0	0
g-Baines ph	1	0	0	0	0	0	0
Hough p	0	0	0	0	0	0	0
Righetti p	0	0	0	0	0	0	0
Aase p	0	0	0	0	0	0	0
Totals	33	3	5	1	0	2	3

BATTING: NATIONAL

	ab	r	h	2b	3b	hr	rbi
Gwynn rf	3	0	0	0	0	0	0
Sax 2b	1	0	1	0	0	0	1
Sandberg 2b	3	0	0	0	0	0	0
Scott p	0	0	0	0	0	0	0
S. Fernandez p	0	0	0	0	0	0	0
I-G. Davis ph	1	0	0	0	0	0	0
Krukow	0	0	0	0	0	0	0
Hernandez 7b	4	0	0	0	0	0	0
Carter c	3	0	0	0	0	0	0
J. Davis c	1	0	1	0	0	0	0
Strawberry rf	2	0	1	0	0	0	0
Parker rf	2	0	1	0	0	0	0
Schmidt 3b	1	0	0	0	0	0	0
Brown 3b	2	1	1	1	0	0	0
Murphy cf	2	0	0	0	0	0	0
C. Davis cf	1	0	0	0	0	0	0
O. Smith ss	1	0	0	0	0	0	0
d-Brooks ph-ss	2	1	0	0	0	0	0
Gooden p	0	0	0	0	0	0	0
a-Boss ph	1	0	0	0	0	0	0
Valenzuela p	0	0	0	0	0	0	0
e-Raines ph-lf	2	0	0	0	0	0	0
Totals	33	2	5	1	0	0	1

PITCHING: AMERICAN

	ip	h	r	er	bb	so
Clemens W,1-0	3	0	0	0	0	2
Higuera	3	1	0	0	1	2
Hough	1 2-3	2	2	1	0	3
Righetti	0 2-3	2	0	0	0	0
Aase S, 1	0 2-3	0	0	0	0	0
Totals	9	5	2	1	1	7

PITCHING: NATIONAL

	ip	h	r	er	bb	so
Gooden L, 0-1	3.	3	2	2	0	2
Valenzuela	3	1	0	0	0	5
Scott	1	1	1	1	0	2
S. Fernandez	1	0	0	0	2	3
Krukow	1	0	0	0	0	0
Totals	9	5	3	3	2	12

American 020 000 100—3
National 000 000 020—2

a-grounded out for Gooden in third; b-struck out for Joyner in fourth; c-struck out for Winfield in fourth; d-grounded out for Smith in fifth; e-filed out for Valenzuela in sixth; f-homered for Whitaker in seventh; g-grounded out for Higuera in seventh, h-struck out for Boggs in eighth; i-struck out for Parrish in eighth; j-fouled out for S. Fernandez in eighth.

GW-RBI—Whitaker. DP—American 1. LOB—American 5, National 4. 2B—Winfield, Brown. HR—Whitaker, White. SB—Puckett, Moseby, Sax. WP—Hough. Balk—Gooden, Hough. PB—Gedman.

Records Set, Tied

Single-game records set or tied in the 1986 All-Star Game:

SET

Pitching

Most Consecutive Batters Retired at Start of Game: 12, American League

Most Balks, Both Teams: 2, American League (1), National League (1)

TIED

Hitting

Most Home Runs, Pinch-Hitter: 1, Frank White, AL, Kansas City

Pitching

Most Strikeouts, Team (nine-inning game): 12, National League

Consecutive Batters Retired: 9, Roger Clemens, AL, Boston

Most Consecutive Strikeouts: 5, Fernando Valenzuela, NL, Los Angeles

All-Star Winners

1933 — American, 4-2
1934 — American, 9-7
1935 — American, 4-1
1936 — National, 4-3
1937 — American, 8-3
1938 — National, 4-1
1939 — American, 3-1
1940 — National, 4-0
1941 — American, 7-5
1942 — American, 3-1
1943 — American, 5-3
1944 — National, 7-1
1945 — No game
1946 — American, 12-0
1947 — American, 2-1
1948 — American, 5-2
1949 — American, 11-7
1950 — National, 4-3 (14 innings)
1951 — National, 8-3
1952 — National, 3-2 (5 innings, rain)
1953 — National, 5-1
1954 — American, 11-9
1955 — National, 6-5 (12 innings)
1956 — National, 7-3
1957 — American, 6-5
1958 — American, 4-3
1959 — National, 5-4
1959 — American, 5-3
1960 — National, 5-3
1960 — National, 6-0
1961 — National, 5-4 (10 innings)
1961 — Tied 1-1 (rain)
1962 — National, 3-1
1962 — American, 9-4
1963 — National, 5-3
1964 — National, 7-4
1965 — National, 6-5
1966 — National, 2-1 (10 innings)
1967 — National, 2-1 (15 innings)
1968 — National, 1-0
1969 — National, 9-3
1970 — National, 5-4 (12 innings)
1971 — American, 6-4
1972 — National, 4-3 (10 innings)
1973 — National, 7-1
1974 — National, 7-2
1975 — National, 6-3
1976 — National, 7-1
1977 — National, 7-5
1978 — National, 7-3
1979 — National, 7-6
1980 — National, 4-2
1981 — National, 5-4
1982 — National, 4-1
1983 — American, 13-3
1984 — National, 3-1
1985 — National, 6-1
1986 — American, 3-2

Goodwill Games

(In Moscow)

BOXING

Semifinals

106 Pounds (48 Kilograms): Tsenoldevyin Tserenniam, Mongolia, def. Abdrakhmanov, USSR, 4-1; Nshan Manchan, USSR, def. Yan Tchol Chan, North Korea, 5-0. 112 Pounds: Rinvidas Bilius, USSR, def. Michael Vidinski, Bulgaria, 5-0; Arthur Johnson, U.S., def. David Grinan, Venezuela, 3-2. 147 Pounds: Aleksandr Ostrovsky, USSR, stopped Ricky Royal, U.S., 1:17, 3rd; Andrei Trocenko, USSR, def. Bogomil Aleksandrov, Bulgaria, 5-0. 200 Pounds: Ramdan Shkiev, U.S., stopped the Padilla, U.S., 1:57, 1st; Vladimir Balal, USSR, def. Michael Bent, U.S., 4-1.

MEN'S GYMNASTICS

Individual Events

Floor exercises: Yuri Korolyev, USSR, 19.70 points.

Pommel horse: Valentin Mogilny, USSR, 19.80 points.

Rings: Valentin Mogilny, USSR, and Yuri Korolyev, USSR, 19.65 points.

Vault: Valery Lyukin, USSR, 19.425 points.

Parallel bars: Valentin Mogilny, USSR, 19.65 points.

Hisbbar: Jurii Korolev, USSR, 19.80 points.

TENNIS

Men's Singles Final

Andrei Chesnokov, USSR, def. Marian Vajda, Czechoslovakia, 6-3, 6-2, 6-4.

Men's Doubles Semifinals

Sergei Leonyuk and Alexander Zverev, USSR, def. Luke Jensen and Brad Pearce, U.S., 4-6, 6-3, 6-2; Marian Vajda and Karel Novacek, Czechoslovakia, def. Jay Berger and Kelly Jones, U.S., 6-2, 5-7, 7-6.

Women's Singles Final

Caroline Kuhlman, U.S., def. Beverley Bowes, U.S., 6-4, 7-5.

Women's Doubles Final

Svetlana Parkhomenka and Larisa Savchenko, USSR, def. Iva Budarova and Marcela Skuherska, Czechoslovakia, 6-2, 6-3.

MEN'S TEAM HANDBALL

Russian Federation 23, Czechoslovakia 21

MEN'S VOLLEYBALL

France 3, Brazil 0
Japan 3, Bulgaria 0
United States 3, Czechoslovakia 0
Brazil 3, Poland 1

Transition

BASEBALL

National League

LOS ANGELES—Placed Jerry Reuss, pitcher, on the 21-day disabled list. Recalled Dennis Powell, pitcher, from Albuquerque of the Pacific Coast League.

BASKETBALL

National Basketball Association

CLEVELAND—Announced it will not pick up the option year on the contract of World B. Free, guard.

SEATTLE—Signed Kevin Williams, guard. Cut Darrin Houston, guard, and Glen McCants, forward. Announced that team owner Bob Whitsitt will assume duties as general manager.

FOOTBALL

National Football League

ATLANTA—Signed Tony Casillas, nose tackle, to a four-year contract.

Cycling

Tour de France

MEN'S THIRTEENTH STAGE

(Pau-Superbagneres)

1, Greg Lemond, U.S., 6 hours, 6 minutes 37 seconds.
2. Urs Zimmermann, Switzerland, at 1:12 behind the leader.
3. Robert Millar, Britain, at 1:15 behind.
4. Luis Herrera, Colombia, at 1:50.
5. Andy Hampsten, U.S., at 2:28.

MEN'S OVERALL STANDINGS

1. Bernard Hinault, France, 57:47:45
2. Greg Lemond, U.S., at 40 seconds behind
3. Urs Zimmermann, Switzerland, at 2:50.
4. Robert Millar, Britain, at 3:32.
5. Pedro Delgado, Spain, at 4:40.
6. Andy Hampsten, U.S., at 8:26.
7. Lucho Herrera, Colombia, at 9:08.
8. Steven Rooks, Holland, at 12:55.
9. Claude Criquielion, Belgium, at 13:00.
10. Peter Winnen, Holland, at 15:19

WOMEN'S OVERALL LEADERS

(After Six Stages)

1, Maria Canins, Italy, 12:10:08
2. Inga Thompson, U.S., 3:23 behind.
3. Jeannie Longo, France, 6:24
4. Valerie Simonnet, France, 8:52
5. Virginie Lalarque, France, 9:07

Basketball

World Championships

(In Spain)

SEMIFINALS

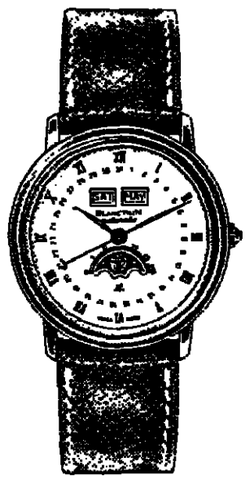
GROUP A (Barcelona)

Spain 78, Cuba 77
Soviet Union 110, Brazil 101
Israel 82, Greece 79

GROUP B (Oviedo)

Italy 78, Argentina 70
United States 69, Yugoslavia 60
Canada 95, China 81

JB 1735
BLANCPAIN



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'Let Me at That Porn'

WASHINGTON — The best thing about the report of Attorney General Meese's Commission on Pornography is its call for "Citizen's Watch" groups to monitor what types of publications are sold in the stores. If, in the view of the group, the material is pornographic, the citizen's groups will organize a boycott, and God know what else, to rid the store of the rot.

I don't know how the people for this type of work are going to be selected, but I would like to volunteer my services.

Buchwald

What, you may ask, are my qualifications for being part of a "Citizen's Watch" group? For one thing, I've read many of the magazines the Pornography Commission finds objectionable. Secondly, I know exactly where in the store such reading materials are kept. I have done a lot of dry runs since the report was published. I know how to distinguish between literature with no redeeming value as opposed to magazines that are just trying to give me a cheap thrill.

If you elect me I promise to go through every store in your neighborhood and dump out anything that I feel might offend the community. You can trust me that no page will be left unturned without my stamp of approval. I'm not only talking about nudity, depravity and sexually obnoxious material, but also other stuff that might not look offensive on the cover but, when you read between the lines, could lead to crime too horrendous to mention.

□

Many of you may be asking, "How will the 'Citizen's Watch' Committees perform"? The guidelines haven't been laid down yet, but I would like them to work something like this: Every member of the committee will be issued a CW armband, which will give him or her permission to go into any store suspected of selling pornographic material. If such material is found, the CW Committeeperson will throw it on the floor, pour cigarette lighter fluid on it and start a fire in the aisle. If there happens to be a lot of pornographic material, other members of the CW Committee will stand outside and break all the windows in the store.

□

If the owner protests this type of treatment, the CW Committee will organize a boycott. During the boycott, the CW will take the names of customers entering the store. These will be sent to Ed Meese, who will put them into the attorney general's computer so that Washington will have some idea about who is pro-pornography. Each Citizen's Watch Committee will be able to plug into the computer in case they have suspicions about a stranger hanging around a magazine stand.

I don't want anybody to get the idea that this is some sort of vigilante committee the attorney general's commission is recommending. We cannot prevent you from buying anything you want. But as Americans it is our right to make you damn sorry you did. The Citizen's Watch Committees are your guarantee that you won't be poisoned by filthy pictures again.

□

The question will come up as to what qualifies the CW Committees to decide the reading tastes of others. Their main strength is that they care about what is on sale and they're willing to do something about it. Once appointed as a CW Deputy, the Committeeperson will study at night to become an expert in pornography. The CW's primary role is to do the job that the Justice Department, because of the Constitution, can't do on its own.

So I need your vote. Without wanting to brag, I think I'm the best man for the job. I've hung around newsstands all my life. I can spot a Playboy or Penthouse reader a mile away, and I know how to read any magazine sealed together with cellophane.

As soon as they start electing Citizen's Watch Committees in your community, please think of me — the anti-pornographer everyone can trust.

Nine Paintings Stolen

The Associated Press

CAHORS, France — Nine paintings, including works by Pablo Picasso, Salvador Dali and René Magritte, were stolen from the municipal museum over the weekend, police said.

'Rambo' Ripoff Solves Mideast Woes

By William Claiborne
Washington Post Service

NEBI MOUSA, Occupied West Bank — There may be some confusion in the Reagan administration about policy in the Middle East, but there's none on location for the filming of "Death Before Dishonor," Hollywood's latest Rambo-style potboiler about how Arab terrorists should get it in the neck.

The bad guys wear Viet Cong-like black pajamas and the red-checkered kaffiyeh headdress usually associated with Palestinian nationalism. The good guys wear the camouflage jungle fatigues of the U. S. Marine Corps. It doesn't take long to figure out which side is going to win.

For six weeks, a picturesque 15th-century mosque and hospice east of Jerusalem in the sun-bleached Judean desert has reverberated with machine-gun fire and M-79 rocket-propelled grenade explosions as a Hollywood macho actor, Fred Dryer, has tried to outmayhem Sylvester Stallone and at the same time apply a little revisionism to the marines' tragic encounters with Arab gunmen in Lebanon.

Moses is said to be buried in Nebi Mousa — and presumably with him the commandment "Thou Shalt Not Kill." Almost everybody dies in "Death Before Dishonor" — cut nearly in half by machine gun bullets, blown up by grenades or impaled by a high-speed drill bit.

"It's strictly in the American theme of things," said the producer, Lawrence Kubik. "The hero, Gunnery Sergeant Jack Burns, really does stand up for what the Marine Corps' 200-year tradition is about."

Kubik's previous Hollywood experience includes managing the careers of Stallone and Arnold Schwarzenegger. Dryer, a former professional football player, stars in "Hunter," a television action series. He said that if the American public's frustration over Libya's Colonel Moammar Gadhafi and Middle Eastern terror is eased even a little, the film will have served a purpose other than entertainment.

"I've seen 'Rambo,' 'Commando,' 'Delta Force' and the rest. The truth of this film — compared to the others — is sticking to the American theme, which is the Marine Corps," Dryer said.

Fred Dryer draws a bead on yet another Arab terrorist.

His director, Terry Leonard, a former Hollywood stunt man best known for his gripping action sequences in "Raiders of the Lost Ark," agreed.

"I think a lot of America's frustrations will come out in this film. Americans are really fed up with this terrorism business. The hostages in Lebanon drive me nuts. Every time I hear of somebody being held hostage, I go crazy," Leonard said.

While professing no intention to convey a political message — "This is entertainment, just cowboys and Indians in the Middle East" — Leonard said audiences could draw their own conclusions and "if the shoe fits, wear it."

The plot, what there is of it, unfolds in a fictitious Arab country in North Africa, called Jemal, where a rebellious cabinet minister tries to destabilize his government by blowing up the U.S. Embassy and kidnaping a marine colonel named Halloran, played by Brian Keith.

Halloran is taken to a terrorist camp in the desert where he encounters a Vanessa Redgrave-type Palestine Liberation Organization guerrilla-cum-news photographer (played by Joanna Pacula) and a few cretin-like Arabs who disfigure him with the aforementioned high-speed drill bit before he manages to plunge the whirring drill into the heart of his torturer.

Who would guess that Pacula is really an agent of the Mossad, the Israeli spy shop, which is coordinating an attack on the terrorist camp with a former Los Angeles Rams defensive end (Dryer)? How could anybody predict that Dryer, in a few short minutes, could blow away 46 Arabs with a few bursts from his Galil automatic rifle?

In the end, Dryer guns a Marine Corps jeep off the edge of a desert cliff, crushing to death the last two Arab terrorists, Maude and Gabril, played by Casey Walker and Muhammed Bakri.

Fade out and cut. The United States does have a Middle East policy.

Speaking with a reporter who in October 1983 watched the bodies of 241 marines pulled from the rubble of their blown-up billet in Beirut and a year later watched the frightened remnants of that force leave Lebanon ignominiously, Leonard offered his view of the Middle East problem.

"The Middle East situation has been unjustly portrayed in the American press. They have exaggerated the danger way out of proportion. I feel safer here than I do in downtown Los Angeles," said Leonard, who arrived at Nebi Mousa in an air-conditioned stretch Mercedes limousine from Jerusalem's Hilton Hotel.

He added, "When I left L. A., people actually said, 'You don't want to go over there. It's really dangerous.' Where do people get these ideas? I feel really safe here. What's the problem?"

The problem may be Abu Jihad, a sinister Arab terrorist portrayed in the film by Rockne Tarkington, who, like almost everybody else in "Death Before Dishonor," dies in the last reel.

Kubik, who also wrote the screenplay, confessed that in the original script, Tarkington's character was named Abu Jihar, a name that does not exist in Arabic. At the last moment, he said, it was changed to Abu Jihad, but the filmmakers did not realize that that was the nom de guerre used by Khalil Wazir, the second in command of the PLO chairman, Yasser Arafat, and head of the Fatah military wing.

When informed that one reporter visiting the "Death Before Dishonor" location planned to meet with Wazir the next week in Amman, Leonard replied, "The hell with him if he can't take a joke. That's what they're doing this for anyway — to get publicity — so he ought to be happy."

An hour later, however, while visitors to Nebi Mousa were preparing to leave, Kubik, apparently throwing Arab-bashing machismo to the winds, drew them aside and asked that if they were planning to "talk with any Moslems" would they please not mention "Death Before Dishonor" until the cast and crew had left Israel. "Some people around here aren't very happy about our shooting here," he said.

Never mind. The Bible says that Moses never entered the Land of Canaan. He could not have been buried in Nebi Mousa.

PEOPLE

A 'Leonardo' Return

A drawing illegally exported from Italy that changed hands for millions of dollars came back to Italy from Japan this week, but many experts doubt the work was Leonardo da Vinci's and believe it is worth a fraction of the prices it fetched. "The Virgin of the Rocks" was brought back to Italy Monday. "Even someone who isn't an expert can see the difference between this face and other works securely attributed to Leonardo," said Rosalba Tradito of Milan's Brera gallery, which organized the return of the drawing. The work left Italy in 1984 when a Dutch art dealer, Michael van Rijn, bought it. Van Rijn then sold the portrait to the Gekkoso gallery in Japan, which in turn resold it to the Atami gallery, near Tokyo. In the course of these transactions, the price rose from the equivalent of about $200,000 to about $14 million. But the Italian art ministry informed the Gekkoso gallery that the picture was registered and legally not exportable. The Gekkoso agreed to buy back the drawing and return it to Italy. Yoko Nakamura, who brought the drawing with him on the flight from Japan, said the Gekkoso, in buying back the work from the Atami, had paid the equivalent of $14 million in other art works for the drawing. Milanese experts placed the market value of the drawing at around 100 million lire (about $65,000). The picture, which remains the property of the Gekkoso gallery, goes on display at the Brera this month.

□

Prince Andrew, who marries **Sarah Ferguson** on July 23, celebrated his last days as a bachelor with a stag party Tuesday at the west London mansion of his cousin **Viscount Lascelles**. The British domestic news agency Press Association said Andrew's guests included his brother **Prince Charles** and other members of the royal family, the pop singer **Elton John**, the comedian **Billy Connolly** and the television personality **David Frost**.

□

The Polish sloop Stomil, which arrived four days late for the Statue of Liberty birthday weekend because of a damaged motor, will get a new one, **Mayor Edward Koch** of New York said Tuesday. Volvo International is donating a new engine for the sailing ship, "hardy crew will be able t[o continue] their American voyage" [to] the Great Lakes to Chicag[o,] said. The Stomil lost its power in the English Chan[nel] during the 36-day voyage ac[ross the] Atlantic. Koch issued an a[ppeal for] someone to donate an en[gine to] the Stomil after it became [clear] its old one could not be re[paired].

□

Stephen S. Trott, a form[er mem]ber of the folk group The H[ighway]men, best known for t[he] 1960s hit "Michael Row [the Boat] Ashore," has been nomi[nated] No. 3 man in the Justice [Depart]ment. Trott is a former d[is]trict attorney in Los An[geles,] U. S. attorney and has bee[n as]sistant attorney general si[nce...] He has been nominated [by Presi]dent **Ronald Reagan** to be [associate] attorney general.

A 78-year-old woman a[nd a ...]year-old man in Dallas [have] decided love and marri[age don't] necessarily mix and canc[eled] wedding plans because [they were] having too much fun the [...] two, known as "Lovey" [and Do]vey" at their nursing ho[me, called] off their wedding Sunday [...] before it was to have ta[ken place.] **Betty Berry and Warren** [...] lined up a preacher and [...] pagne, flowers, food and [...] were ordered. "I finally [...] ren, do we really want to [...] Berry said. "He said, '[...] you like.'" "I think [...] along we thought the qu[...] to kill any older relation[...] marry," she said.

□

The Inamori Found[ation will] award 45 million yen [...] each to a French bi[ologist, an] American ecologist an[d a Japa]nese-American sculptor [...] said Wednesday. **Nicol[e Le] Douarin**, 56, of the Fren[ch ...] Promotion Organization'[s ...] of Embryology will rece[ive ...] for her inventions to aid [...] of nervous systems in [ani]mals. **George E. Hutchin[son]** Yale University will get [...] ecological studies, and [Isamu No]guchi, 81, a sculptor no[ted ...] garden designs, will recei[ve ...] his contributions to the [...] award ceremony is sche[duled] Nov. 11 in Kyoto.

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